A Work Project, presented as part of the requirements for the Award of a Master Degree in Management from the NOVA – School of Business and Economics

"HOW TO ACHIEVE TOP LINE PROFITABLE GROWTH IN THE STILL WATER CATEGORY FOR THE BRANDS VITALIS AND CARAMULO"

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Abstract

Leader in the beer market in Portugal, Super Bock Group is the second biggest player in the still bottled water category, owning two brands: Vitalis and Caramulo. With a past focus only on Vitalis, the company expressed concerns about Caramulo positioning in the market, leading to an interest in exploring new opportunities.

By analysing the still bottled water industry, pinpointing the main trends, and evaluating the consumer's habits and purchase behaviors, a growth opportunity was identified within the environmental and social sustainability; convenience; and beauty segments.

The proposals for Vitalis, offer a solution to solve the goal established by SBG.

Keywords: Super Bock Group; Still water category; Vitalis; Caramulo; Caramulo Care; Beauty; Convenience; Environmental and Social Sustainability

Glossary

ATL - Above the Line

BSM - Behaviour Sequence Model

BTL - Below the Line

COGS - Cost Of Goods Sold

FF - Fortified Functional bottled water

MDD's - Marcas de Distribuidor

NH - Natural Healthy

PODs - Points of Difference

PV - Perceived Value

R&D - Research and Development

RTD - Ready to Drink

SBG - Super Bock Group

SOD - Service Output Demand

SOS - Service Output Supply

TEV - True Economic Value

VAT - Value-added Tax

WD - Weighted Distribution

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1 - Executive Summary

The intent of this report is to analyse how the Super Bock Group can achieve top line profitable growth within the still water category, for the brands Vitalis and Caramulo, which can be done through online or offline channels, acting strongly either on on-trade, off-trade or via potential brand extensions, new positioning, and/or merchandising.

To serve this purpose, both internal and external market situations were scrutinised, followed by a matrix where potential segments were identified as opportunities to be evaluated. Interviews and a survey - primary research - were conducted in order to gather consumers' insights and also test the segments previously pointed out and, therefore, to support the final potential segments. Consecutively, a marketing and communications plan was defined for the brands Vitalis, Caramulo and for the brand extension Caramulo Care, taking into account the suggested strategies to be implemented. Following these steps, a P&L was developed to support all the decisions made, as well as control measures and a contingency plan.

2 - Market Overview

According to A.C. Nielsen, in 2016 the still water category value in Portugal was €283M. Since then, the category has grown 5%, mainly because of the growth of the brands Penacova and Monchique. All the other brands are decreasing both in volume and value, including MDD's (exhibit 1 and 2).

The flavoured water segment represents, in value, around 2.2% of the still water category. The segment value is 6.35M€ and has grown 13.2% when comparing with 2016.

The market leader of the category is Luso, with 20.7% of market share in value, followed by MDD's with 20.4% of market share (exhibit 3). Consumers are really price sensitive when buying still bottled water and this may explain the high weight of MDD's in this category. As expected, Vitalis has a higher market share when compared to Caramulo, having a market share of 7% and Caramulo a market share of 5.4%. Caramulo's low market share can be explained by its poor distribution on off-trade, its low investment in marketing versus other bottled water brands in the market and a lack of a strong positioning.

3 - Situation Analysis

3.1 - Company

Super Bock Group, previously called Unicer, is the largest Portuguese beverage company with a main focus on beer and bottled water. The company was founded in 1890 as *CUFP – Companhia União Fabril Portuense de Cerveja* – and was privatised in 1989/90 under the name Unicer. It also operates in the soft drinks, wine and malt production and tourism businesses, with two hotels and spa parks: Vidago and Pedras Salgadas.

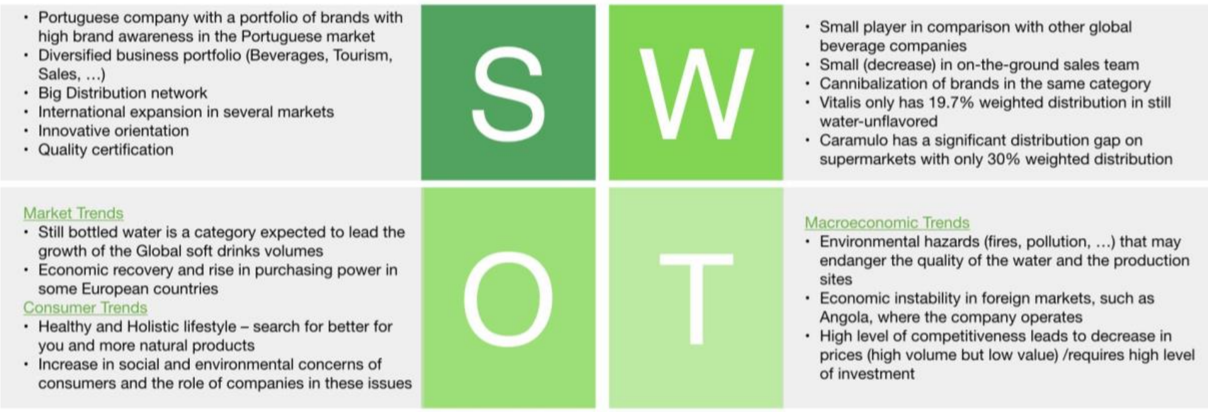
The headquarters are located in Leça do Balio, and it has other 12 sites in Portugal where it runs its operations. As for the company's capital structure, 56% is owned by the Viacer group and 44% by Carlsberg.

Apart from Portugal, the company operates in other 50 countries, such as France, Spain and China, with a total of 50 employees working abroad. Although in the Angolan market - where it once focused their exports -, Super Bock Group has seen a worse performance in the last years, the company plans on continuing to invest on exports with a major focus on China, as a market that can potentially substitute its previous venture in Angola (Felismino, 2017), staying true to the company's vision *Local Passion, Global Ambition.* In 2016, the company had a net income of €38 million, registering an increase of 46% over the previous year, which reflected the company's restructuring process. In that same year, the sales value went down 1%, to € 451 million, due to the decrease in sales in foreign markets in 24%, much affected by a decrease in the Angolan market. However, sales in the Portuguese market went up 6% during the same period, boosting the total sales value (Noronha, 2017).

The company also has a strong emphasis on innovation, encouraging projects of R&D that aim to renew and improve its portfolio, to incorporate scientific and technological advances into their operations and products, and to strive for the business long-term sustainability, both in regard to profits and to its environmental footprint.

3.1.1 - SWOT

In order to analyse the company's internal and external environment, we developed the following SWOT analysis:



3.2 - Customers

According to the European Federation of Bottled Water, in 2016, the consumption per capita of bottled water in Portugal was 114 litres, which is above the average consumption in the European Union (109 litres), but below consumption in countries such as Italy (188.5), France (122 litres) and Spain (121 litres). (EFBW Industry Report 2016). Portuguese consumers are becoming increasingly aware of health and wellbeing issues, and more people are expected to seek for naturalness drinks. Portuguese consumers considered bottled water "the most natural soft drinks and the ideal way to rehydrate as part of a healthy and balanced nutrition" (Passport, 2017 B). The ongoing health and wellness trend in Portugal aligned with better economic conditions has led portuguese consumers to buy bottled water instead of drinking tap water and consequently to the growth of the category in both channels. Even though the better economic conditions encourage portuguese consumers to go out more often, the on-trade had a weaker performance than the off-trade in both volume and current value even though it still grew 2%, since portuguese consumers prefer to drink a more “festive” drink such as wine or beer, when going out (Passport, 2017 J). In 2016, bottled water increased by 6% in off-trade volume and 4% in off-trade value, while on-trade only register a positive sales growth of 2%. The off-trade had increase more in volume than in value, because unit prices decreased due to the consumers’ preferences for the bigger packaging’s and the reduction of VAT that will be further referred in PESTLE analysis. Manufactures have grabbed this opportunity and launched new formats such as 6 and 7 litre water containers (Passport, 2017 J).

Portugal possesses high-quality water supply, which means that the bottled water category is mainly characterised by national brands (Euromonitor, May 2017, Naturally Healthy beverages in Portugal). Also, within the category there are three types of consumers in the hydration beverage industry, namely: Everyday Replenishment, Active & Advanced and Lifestyle and Natural (exhibit 4) (Passport, 2017 A).

3.3 - Context

3.3.1 - PESTLE Analysis

3.3.1.1 - Political

The political situation has become more volatile in the last three years (exhibit 5), presenting a value of 0.87 (-2.5 weak; 2.5 strong) for the Political Stability Index[1], in 2015 (The GlobalEconomy.com, 2017).

[1] “The index of Political Stability and Absence of Violence/Terrorism measures perceptions of the likelihood that the government will be destabilized or overthrown by unconstitutional or violent means, including politically-motivated violence and terrorism. The index is an average of several other indexes from the Economist Intelligence Unit, the World Economic Forum, and the Political Risk Services, among others.” (The GlobalEconomy.com, 2017)

Although the economic and political crisis is being overcome, the country is still conditioned by "high levels of private and public debt, weak bank profitability, limited access of corporations to credit, high levels of unemployment and bottlenecks in key industries". The repression by the Portuguese government on public spending has encouraged recurrent times of instability and disorder (Passport, 2017 F).

Regarding taxation, the total tax rate in Portugal was middle ranked in 2017, with a total value of 39.8%. However, it remained lower in comparison with countries like Italy and Spain. (Passport, 2017 F).

The country's deficit-reduction programme has imposed a rise in the average income tax rate from 9.8% to 11.8% and an increase in VAT to 23% (one of the highest in Europe) (Passport, 2017 G). Nevertheless, as from 1 July 2016, "after three and a half years at 23% as part of measures aimed at cutting the public sector deficit" (Theportugalnews.com, 2017) the main food services has been subject to the intermediate VAT rate of 13% (AHRESP, 2016), whereas for beverages the rate varies. Only part of the beverage service is subject to the intermediate rate of VAT. In particular, "alcoholic beverages, soft drinks, fruit juices and sparkling water will remain subject to the top rate of VAT *(23%)*, while for still water, tea, coffee and milk the intermediate rate applies" (Theportugalnews.com, 2017).

Considering the public sector corruption perceptions, in 2015, Portugal showed a value of 62, in a scale of 0 to 100, which means that the country presents moderate-high levels of corruption. (The GlobalEconomy.com, 2017).

3.3.1.2 - Economic

Portugal is known by several economic challenges, monitored with policy adjustments. Since 2011, with the Troika agreement and the associated reform and structural adjustment plan, the Portuguese economy has enjoyed a positive recovery.

Regarding GDP growth, it reached 1.4% in 2016 and it is expected to continue with modest growth in 2017 (see exhibit 6), considering the very modest retrieval in investment and a slight decline in private consumption, "linked to persisting high level of corporate and household debt, weak credit, insufficient decline in unemployment, rising energy prices and uncertainties in the Eurozone" (En.portal.santandertrade.com, 2017). The Portuguese government has also chosen to take the deficit under 2% of GDP "after managing to bring it down to its lowest level in 40 years in 2016" (En.portal.santandertrade.com, 2017).

Even though the enhancement of the country's economic output during 2015-2016 fostered a rise in growth of Portuguese per capita disposable income and spending, Portuguese households continue acting cautiously about consumption (Passport, 2017 H). As there are expected improvements in the job market, they can eventually offer more support for consumer spending. The real value of private consumption increased by 2.7% in 2016 and is expected a growth of 2% in 2017, meaning that it will increase only modestly (Portugal: Country Profile, 2017).

3.3.1.3 - Social

Portuguese consumers are becoming increasingly conscious of health and wellbeing issues, and this is having an impact on how they eat, drink, exercise and think about their daily nutrition. Thus, consumer preferences have shifted towards natural ingredients and away from artificial ingredients. As such, the sales of Natural healthy beverages increased by 3% in 2016 (reaching €312 million), mainly due the growth of bottled water. (Passport, 2017 J)

Natural healthy (NH) beverages are usually consumed due to their naturalness and healthy benefits and not for the purpose of addressing a specific health condition. Therefore, products normally don't claim any specific health conditions. "*Consumers usually just rely on the reputation of bottled water, high-quality juices and certain types of tea as being generally healthy and positive for general wellbeing."* Given this, *"General, wellbeing is the most important claim for fortified/functional* *beverages available in Portugal". As this claim is often used,* it has been leading to a lack of trust and scepticism among Portuguese consumers.

Given these healthy trends, categories such as Organic Beverages, super fruit juice (e.g.: Cocomax), NH Ready to Drink (RTD) tea and NH Asia Speciality drinks are set to register a strong growth, as consumers become more aware of their benefits (exhibit 7). Despite the growth of these categories, they are still a niche in Portugal. (Passport, 2017 J)

In general, Portuguese consumers are likely to remain sceptical about fortified functional (FF) beverages, particularly as they carry higher precedes. However, in products like energy drinks and sports drinks, where the benefit and the added functional ingredient is perceived, the sales are expected to continue growing. (Passport, 2017 K).

Furthermore, the portuguese population is expected to continue rising and it is predicted that by 2020, 22% of the total population will be composed by people with ages above 65. Older consumers are more likely to seek products that are better for their health and that have high levels of antioxidants and ingredients with anti-ageing properties. Regarding FF beverages, this target is set to seek products that boost immunity and bone or joint health.

Concerning natural healthy beverages, the better economic conditions is being reflected in higher disposable income, and in consumers' confidence and spending power, encouraging them to shift from private labels to branded products. Despite this fact, private labels are gaining ground in FF beverages.

The market value for the segments (carbonated, flavoured and still bottled water) can be seen in exhibit 8 and 9, except for functional bottled water (FF).

In value, the off-trade market of still water has been growing 3.21%, when comparing 2016 with 2017 and in volume the off-trade market has been increasing 4.90%, comparing 2016 with 2017.

3.3.1.4 - Technological

Rate of technological change:

The bottled water industry in Portugal is relatively concentrated, and this contributes to a high level of competitiveness, with the presence of large incumbents such as *SCC – Sociedade Central de Cervejas e Bebidas (Heineken Group)* and the *Super Bock Group*. This competitive landscape leads to greater innovation, whereas it is on packaging formats, new flavours or marketing campaigns, as consumers are more likely to choose a product based on its branding (Bottled Water Industry Profile: Portugal, 2014).

As such, added value through innovation might be done through flavours, convenient packaging and closure, functional benefits and all-natural, high-quality sourcing. This has given rise to global trends such as flavoured waters, functional waters and plant waters (Passport, 2017 A). However, in Portugal, functional bottled water has not had the same success as in the international market, as consumers failed to perceive the added value of the product, which led to the discontinuation of many products after their launch (Passport, 2017 B) (see exhibit 8 and 9)

Also, water purification filters are a technology that may become a serious threat to the market, for both in-home and on-the-go options. In Portugal, brands like Bobble have already gain ground as they used to be previously used mainly at home thanks to filter jugs but more recently they have extended their portfolio by launching on-the-go solutions (Passport, 2017 B).

3.3.1.5 - Legal

Regarding legal issues in Portugal, the *Associação Portuguesa das Indústrias de Águas Minerais e de Nascente (APIAM)* is responsible for community and national legislation of the packaging, labelling and marketing of natural mineral and spring waters.
These two types of bottled water demand the same set of requirements, which aim to ensure a unique

quality: the obligation of bottling at the water source place; the ban on tank transport; the rejection of any treatment able to change the water essential characteristics. (APIAM, 2017)

Since 1998, a legal document (Decree-Law n.º156/98, *Diário da República*) was published in order to regulate how natural mineral and spring waters are defined and characterised, as well as the rules on the packaging and distribution. Concerning the label of bottled water, it is mandatory to state the proper denomination of mineral or spring water and also to indicate the place of exploration and the name of the source from which it was extracted. (APIAM, 2017)

Also in 2004, a legal document (Decree-Law n.º 72/2004, *Diário da República*), was published, establishing limits for certain elements which may be present in natural mineral waters and where certain specific indications appear on the labels.

In the natural mineral water labels, it is required that it includes the typical chemical composition of the water contained in the bottle. However, in Portugal, it is also common to show the chemical composition in the labels of spring waters. Because it is impossible to insert all the water components in the label, normally only the pH values, the total mineralisation (total dissolved salts) and the present elements' quantities are generally indicated, which makes it possible to distinguish it from a similar water.

All in all, the legislation for mineral and spring waters focus on three main characteristics: **groundwater, pure water at the source**, and **devoid of any treatments that modify intrinsic characteristics.**

3.3.1.6 - Environmental

There is a growing concern about health issues, namely the importance of consuming good quality water, indispensable for our hydration. In Portugal, it is generally safe to drink tap water in urban and touristic areas, but before joining the EU there were some issues with the water infrastructure and therefore many people still prefer bottled water. Currently, the number of consumers who tend to

prefer to purchase bottled water than drink tap water is rising, even when this last one is proper for consumption (by 2015 98.7% of public water was reported safe by the Water and Waste Services Regulation Authority). Sometimes, tap water tends to not taste as good as bottled water, due to chlorination and high mineral content of water in some areas - especially in the south. YouTube influencers are creating awareness of safety concerns related to water and are talking about the before and after effect of water filters. Water purification technology, such as carbon filtering, can vastly improve the water's quality and may become a threat to bottled water.
In Portugal, around 117.5 million litres of bottled water are consumed per year (114 litres per capita). Therefore, considering they would be all 1.5 litres bottles, it would mean 78.4 million bottles per year. Since Portugal only recycles approximately 10% of the plastic waste - one of the worst recycling rates in Europe -, considering all 1.5 litres bottles, Portugal would only recycle 7.8 million bottles.

Forest pollution in Portugal is also a growing concern for many citizens as it involves a high risk of fires, contaminating the air, soil and water, and therefore, having repercussions on agriculture. According to *Expresso* in the article "Que água vamos beber depois dos incêndios?" (26.08.2017), the lack of rain following fires will influence, the water coming from the rivers. Furthermore, there is the contamination of the rivers that receive the rainwater that crosses the burned zones, dragging the particles and ashes in suspension.
Although the weather has currently a major role in the development of the fires, it will also remain a major factor for bottled water sales in the forecast period. High temperatures are a trigger in the accelerating growth of bottled water, encouraging consumers to purchase more refreshing products both in the on-trade and off-trade.

3.4 - Collaborators

Regarding collaborators, there are several steps that characterise the value chain creation in the SBG mineral and spring water's category.

Firstly, there are three factories in Portugal - Ladeira de Envendos, Castelo de Vide e Caramulo - responsible for the production. In Portugal the water sources are public property; Therefore, the SBG had to obtain permits to explore them, holding the rights to explore the several water sources in the different locations where the factories are located. Also, being present inside all the factories since 1998, Logoplaste is a key collaborator for the company, and has a fully integrated system in the supply chain and production process. The company has a commitment with SBG, partnering to create the PET bottles in an integrated fashion, and has contributed to the reduction of the bottleneck (1,5l from 25g to 23,5g, 0,5l from 11,5g to 11g, 0,33l from 9,5g to 9,1g), which helped reduce production costs.

Once the product is done and pallets are completed, they can either go to a warehouse in Leça do Balio, Santo Antão do Tojal or go directly to the client, being distributed either by logistic partners or by the SBG own distribution. The clients themselves are also collaborators and are distributed between the off-trade, where the SBG's still bottled water sales value represented 26% of the total sales value of the category within the firm in 2016, and the on-trade, which represented the remaining 74% of the sales value of the category within the company in the same period.

In the **off-trade**, SBG collaborates with large retailer chains which have supermarkets and hypermarkets that "led growth in actual value terms in 2016", reflecting the consumers' preference for wide variety and low prices, as price promotions continue to be a major trend in this channel, with no sign of slowing down. The firm also distributes its products to smaller retailers, however "the traditional small and independent grocery retailers are dying out, and their struggle to compete against supermarkets and hypermarkets has not been successful". This has led to a rise in convenience stores, which allow small grocers to become part of bigger retail groups and might continue to grow as they can tackle "convenience, proximity, product variety and competitive prices". (Passport, 2017 O)

As for the **on-trade channel**, the SBG collaborates with consumer food services (Restaurants, Cafes, Fast food, etc), which have had a positive growth due to continuous economic recovery, paired with a decrease in the unemployment rate and the boom in tourism, reflecting consumers' increase in confidence and willingness to spend more in the channel. This is expected to have a positive impact in the SBG sales. Also, the impact of the trend of healthy and natural lifestyle has also seem to impact the channel, with more offerings targeting this particular segment. Aware of this trend, retailers have started to take an interest in health-focused food services and have started to develop offerings that aim to provide their customers healthy meals, as it is the case of the partnership between Sonae and Go Natural. (Passport, 2017 P)

Lastly, marketing and advertising agencies are also collaborators in order to promote and communicate both brands, such as Nylon.

3.5 - Competitors

There are a lot of bottled water brands worldwide and what really differs between each type of water are the characteristics that each of them present at the source and their branding strategy. Therefore, bottled water can be classified in two sub categories: mineral water, *which is the case of Vitalis* (consult exhibit 10 for Vitalis' timeline); and spring water, *which is the case of Caramulo* (consult exhibit 11 for Caramulo's timeline). For instance, spring waters present greater variability in their origin, being necessary to mix water from different sources to obtain the right levels of pH and mineralisation.

Among competitors, **Luso** - a mineral water and the most popular brand in Portugal - is a direct and strong competitor for Vitalis and belongs to *Sociedade Central de Cervejas* (SCC). According to the report "Bottled Water in Portugal" (Passport,2017 B), Luso is perceived as a high-quality brand and very healthy as it is even recognised for helping in case of renal problems and to be suitable for infant feeding. Luso is also betting in the flavoured bottled water segment which is largely growing, as previously mentioned in the market overview.

The company has a single production structure where it fills Luso, Cruzeiro and other own brands, such as Recheio's. SCC works with Logoplaste, and owns a line of glass bottling. Luso has some strengths that can be considered advantages over Vitalis and Caramulo, such as its volume, its large presence in the off-trade, and its strong marketing campaigns (with a new signature targeting families) and strong brand recognition. (exhibit 12)

Fastio is another competitor, and also a mineral water, and its factory has a capacity around 60/70 ML. In 2014 the company was still in a special process of financial revitalisation.

Another competitor is **Monchique**, known by its mineral water with 9.5 pH. It belongs to Grupo Outeirinho which owns five factories in São Martinho, São Lourenço, Chamusca, Alardo and Monchique. The company buys PET together with Penacova, and also second hand equipment which they adapt to their needs. Besides Monchique water, it produces a lot of MDD's. Monchique has some advantages over the SBG, namely its volume, lower prices on PET purchases and flexibility in terms of equipment.

Penacova is a low-cost mineral water - all the others mentioned above have mainstream costs - which bets on volume and invests consecutively in equipment (both filling and blowing), does its own blowing, and buys PET in the free market.

Serra da Estrela is a spring water and a direct competitor, but instead of positioning itself with a low-cost price as Caramulo, is positioned as a mainstream water in terms of cost. It belongs to Sumol-Compal and has a partnership with a company similar to Logoplaste.

Evian is an international brand from Danone and is present in both supermarkets and hypermarkets. This brand is mainly purchased by foreigners who live in Portugal, and represent a niche market with low penetration (please consult exhibit 13 for the price segmentation according to the type of water).

4 - Global Trends

In recent years, the bottled water category has benefited from a consumer preference for a more **healthy and natural lifestyle**. Hydration is one of consumers' top wellness priorities and still bottled water is identified as being the primary driver of the soft drinks category (Passport, 2017 A). Also, alkaline water has seen a rise in popularity by claiming that it contributes to neutralise the acidity of the common diet.

Innovation in the category has tried to benefit from the healthy trend, by introducing new **flavoured waters and functional waters** in the market (Passport, 2017 A). There are several brands that are captivating consumers by selling natural sourced flavoured water such as Vita Coco, a coconut water, and WTRMLN WTR, a melon water. Others choose to sell enhanced waters with vitamins or other "good for you" enhancers such as Avitae, a caffeine-enhanced water or Suja, water enhanced with vegan probiotics. In some countries, big players such as Danone and Coca-Cola are also relaunching already existing brands of flavoured water to positioned them as healthier alternatives (exhibit 14.1). Some functional waters are focused on **beauty benefits** such as Healsi, Aqua Bimini, Fix, that normally contain vitamins and antioxidant properties aimed at enhancing skin health and tackling signs of ageing. Some beverages have developed packaging that allow the functional portion (**minerals, vitamins) to be added only at the moment of consumption**. 989 beverages can be taken as an example (exhibit 14.2).

In addition, more people are looking for **herbal and traditional products** (exhibit 14.3). This trend is visible worldwide, however it is even stronger in Asia, where personalised nutrition, natural ingredients and botanicals have a long history. Some of these beverages are consumed to help digestion others to treat internal disorder, or even to drive long-term brain health. This trend leads us to conclude that there might be a move from daily consumption to wellness regimen (Passport, 2017 L) .

This healthy trend also extends to **hydrating kids**, as parents are more health conscious and seek to provide their children with healthier beverage alternatives. In the US, brands like Aqua Ball offer a packaging featuring Disney characters, in order to be more appealing to kids (Passport, 2017 A).

To satisfy the consumer's desire to hydrate and replenish, a variety of solutions with minerals and electrolytes have emerged**.** These drinks are particularly important in markets where the climate demands regular rehydration during normal everyday activity. These extend from traditional herbal solutions to contemporary and packaged isotonic beverages such as Pocari Sweat, Mizone and Green Dakara. (Passport, 2017 A)

In China, lighter-flavoured **beverages often made with sea salt** have dominated the market, due to their flavour contrast and functional benefits. It is believed that beverages that contain sea salt have hydration benefits. (Passport, 2016 A) (exhibit 14.4)

Ageing is also another visible trend and manufactures found two ways to attract these consumers: either by launching products with ingredients to address health and vitality issues or by making the products easier to lift and transport. CellaNova is an example of a drink with anti-aging properties that appeal to older consumers. Furthermore, some other brands are focused on the practical aspect, such as bulk water companies in Spain, which offer a home delivery service. (Weston, 2014) (exhibit 14.5)

Another trend that has resulted in innovation opportunities is the **environmental and social sustainability concerns** of consumers, who are increasingly more informed about the role of companies in society and demand products that have a lower damaging impact in the environment (Passport, 2017 E). Some small companies have surfaced with new packaging alternatives, such as Boxed Water, that offers a more recyclable packaging. These small companies are usually associated with environmental or social projects/causes. However, big brands are already catching up (exhibit 14.6).

Regarding packaging, in countries where the economic conditions are less favourable, the latter trend is less evident and the search for **bigger packaging** or **water purification filters** in an attempt to save up is common. On the other hand, in countries like France and Spain the d**emand for small sizes and on-the-go formats** has risen significantly because consumers are looking for convenience. (Passport, 2017 M/N)

Furthermore, with the still bottled water growing in the market, **premiumisation** is an opportunity for brands to capitalise on innovation (Euromonitor, 2017 A). The **importance of provenance** is evident in brands such as VOSS and Fiji water. Innovation in packaging is also key: for instance, the

Moroccan brand Aïn Saïss teamed up with Mehdi Qotbi to create his collector edition bottle in 2014. In the US, Pepsi-Cola launched in 2017 a new premium water brand, Life WTR, with a series packaging featuring up and coming artists' designs, that the brand changes from time to time (exhibit 14.7).

4.1 - Top Companies

The four companies with the biggest % of retail volume (exhibit 15) operating in the bottled water category are: Danone (please consult exhibit 16 for Danone's brand portfolio), Nestlé (exhibit 17), The Coca-Cola Company (exhibit 18) and PepsiCo (exhibit 19). To better understand how the biggest players in the market invest in innovation, their portfolios were analysed in eight different countries: Indonesia, Mexico, Argentina, China and France, which are the biggest contributors to growth and sales of Danone, the market leader worldwide; USA and the UK, where we saw greater innovation; and Spain, as it has a great proximity with the Portuguese market.

The portfolio analysis concluded that the biggest trend worldwide is Health & Natural lifestyle, with numerous brands of still unflavoured water but also flavoured water, juiced water or enhanced water positioned as healthy beverages. In some countries Danone and Coca-Cola are relaunching already existing brands of flavoured water to position them as healthier alternatives, such as *Bonafont* and *Ciel Exprim*, in Mexico (Passport, 2017 C). Highly related to this trend is also the Family & Kids trend, with brands aiming to transmit trust and reliability to its consumers. An example of this trend is Evian, the worldwide brand from Danone.

All the companies mentioned are also making a significant investment in environmental & sustainability, as it is a pressing consumers' concern.

5 - Potential water segments

After analysing the market and taking a look into the global trends, ten potential water segments were identified. The segments were:

Environmental sustainability: focus on how consumers seek for eco-friendly products. They are more likely to buy products and look for brands which care about sustainability and environmental issues. This segment has potential for innovation on new packaging (for example: TetraPak, Aluminum) and decrease in the production environmental footprint.

Family and kids: focus on how consumers seek for safe, trustful and reliable brands. This segment has potential for innovation in different packaging and flavours.

Premium: focus on consumers who do not care about price but are looking for status through different designs and exclusivity. The innovation potential lies on packaging and technology devices, such as hydration reminder.

Beauty and personal care: focus on consumers who seek enhanced products with functional benefits related with beauty. The innovation potential relies on the high amount of Silica that the Caramulo brand has, which plays an important role in teeth, skin, nails and hair.

Healthy: focus on how consumers care about their health for sugar-free alternatives and natural products. There, exists an opportunity to create beverages with 0% sugar or sweetened with stevia. Focus on purity or in ingredients that are good for health.

Sports: relies on how fitness oriented consumers are seeking energy and rehydration benefits. Innovation may include enhanced recipes with electrolytes, vitamins.

Convenience: focus on how consumers look for easy to carry packaging's and wider distribution, in order to be more available in the market. Regarding innovation potential, it can be made through new channels (online) and placement in store.

Social sustainability: relies on consumers who seek companies that have bigger impact on society and that care about social issues. Potential innovation exists in order to align brand purpose to a meaningful social cause that add value to the brand.

Price sensitive: focus on consumers who seek low price products and promotions. Potential for innovation still exists on communication and development.

Late Lifers: focus on consumers who are looking for anti-aging products, healthier alternatives and easy to carry products. High potential for innovation in this segment.

Initially, the various segments were analysed according to different criteria (exhibit 20), resulting in a choice of three segments: Late Lifers, Beauty and Social Sustainability (exhibit 21). However, after discussing the results with the Brand Manager of Still Waters of the SBG, we analysed the opportunity to merge some of the previously selected segments, which led to a second analysis (exhibit 22), where three different segments were chosen in order to develop a strategy for the still water category:

Convenience and Late Lifers: these two segments were merged in order to analyse them together and come up with solutions that fit both. Easier to carry packings and new product development in order to bring to the market new innovations.

Beauty: in the matrix, this segment was considered as a bright future. Consumers are worried about their beauty, opening an opportunity of development in this segment.

Environmental and social sustainability: plays an important role, because consumers are more involved in their purchasing decisions and are looking for information about companies and products.

6 - Market Research and Company | Stakeholders and Collaborators Interviews

In order to have a better understanding of how SBG production sites and catchments operate, trips to three factories were taken in Castelo de Vide, Envendos and Caramulo. Also, to have an overview of how the sales teams operate on the field, both on and off-trade, the group was accompanied by several sales team members and visited several clients and modern retailers around Lisbon. Additionally, 21 off-trade sites were visited for observation: 9 hypermarkets, 5 supermarkets and 7 discounters.

6.1 - Key takeaways from the Production factory trips

The takeaways from the factories trips can be found in exhibit 23.

6.2 - Key takeaways from the Off-Trade and On-Trade channels

The key takeaways from the off-trade and on-trade channels can be consulted in exhibit 24.

6.3 - Primary Research

6.3.1 - Qualitative Research

6.3.1.1 - Marketing Problem

To assess the current bottled water consumers' attitudes and perceptions towards brands - with a main focus on Caramulo, Vitalis and Luso -, as well as their main purchase drivers and influencers. In a nutshell, to identify the most relevant trend in Portugal and with greater potential in the bottled water market.

6.3.1.2 - Sample

The sample is composed by 30 portuguese respondents, among them 23 women and 7 men, with ages between 21 and 65, with half of the sample being [21-26[. The sample embodies people with different lifestyles and tastes, in order to try to cover as many angles as possible. Thus, 6 respondents practice sports, 5 buy flavoured waters and 2 have kids under 12 years-old (exhibit 25.1).

6.3.1.3 - Methodology

For the purpose of the exploratory research, a qualitative analysis was conducted using the method of in-depth interviews to uncover important insights. The respondents were filtered to fit the desired profile in which they should be living in Portugal in the past five years, consume bottled water and be responsible for around 50% of the household purchases. The interview guide (exhibit 25.2) was first introduced with brand awareness - brand recall followed by brand recognition - in order to identify the top of mind brand and to list all brands the respondents could remember. Secondly, a broad question was applied to explore and understand the perceptions, associations and feelings towards bottled water, and also its buying drivers and main influencers. Also, other questions were asked to gather some insights regarding flavoured waters and the importance of sustainable products.

Lastly, to access brand image and collect a portfolio of ideas from the respondents that could be used as points of comparison between brands, a projective technique was made for the brands Caramulo, Vitalis and Luso.

6.3.1.4 - Main findings

In order to evaluate brand awareness, it was asked to the interviewees to identify the 5 brands they could recall, and also which brands they could recognise when looking to the respective logo. Regarding brand recall, the results revealed that Luso is on top of mind of half of the interviewees and it was recalled by the whole sample (30 out of 30). Vitalis was the second most recalled brand, with 26 out of 30 interviewees, also mentioned a few times in first place. In what concerns brand recognition, Luso, Vitalis and Caramulo were recognised by the whole sample who answered to this question (29 out of 29). Serra da Estrela, Fastio e Continente were recognised by 28 out of 29 interviewees.

The open question made it possible to address several topics about the overall consumption and purchase of still bottled water. At first instance, in what concerns the consumption of bottled water on the off-trade channel, it is important to point out that price (11 out of 30) and promotion (12 out of 30) seem to be the main buying drivers. In addition, packaging format and convenience (9 out of 30) also play a role when buying bottled water. It was found that respondents usually go to the supermarket once a week (14 out of 30) to do the household purchases, which includes buying bottled water, and those same respondents tend to prefer big formats - 5L and 6L (8 out of 30).

On the other hand, restaurants (22 out of 30) and cafes (19 out of 30) tend to be the places where more respondents buy water for on-the-go consumption. Interviewees also consume bottled water when going to the gym or doing sports (7 out of 30).
Regarding influencers, even though many of the interviewees seem to be influenced by doctors or nutritionists (12 out of 30), there is still a large number of respondents that is not influenced by anyone (11 out of 30) when it comes to choosing for a brand over another.

As for flavoured waters, the majority of the sample is aware of Luso Fruta presence in the market (25 out of 30), in contrast with the few number of people that are aware of Vitalis Sabores (9 out of 30). However, from those who know Luso Fruta, several have never tried it (10 out of 15) and also only a few are regular buyers (5 out of 30). Regarding Vitalis Sabores, a limited number of respondents are regular buyers (3 out of 30). In addition, it was possible to observe that respondents that drink flavoured water do it as a substitute of a soft drink, because they believe it is a healthier alternative. Some interviewees don't like flavoured waters (11 out of 30) because they perceive it as artificial and sugarish.
Considering sustainability, the qualitative research seems to point that this is a consideration factor for half of the respondents when buying products (15 out of 30). However, some of those respondents said they would only buy a sustainable product if the price is not higher than the "normal" one (7 out of 30). Additionally, respondents referred that they never noticed the campaigns or the products because they are not well communicated (5 out of 30).
At last, two projective techniques were conducted, asking to describe Vitalis, Luso and Caramulo as if they were a person and which type of event would they be. These techniques aimed to see how people perceive the brand but in a subconscious manner, understanding the profound emotional connection towards those brands. The results supported the initial ideas laid down in the direct questions. Luso, as a person, was perceived as a 40-50 Portuguese/European business woman, thin and tall, funny, confident, sportive, and a mother. As an event, the opinions diverged into a fundraising cocktail event

and an event targeting families, expressing the image that Luso has been communicating in the past years. Vitalis as a person would be a young portuguese girl in her 20-30's, athletic, elegant, sportive, proactive, joyful, and sociable. Interviewees suggested Vitalis as a sports event with a young and cheerful environment. As for Caramulo, respondents perceived it as a Portuguese man, above 50 years-old, with grey hair and white skin, old fashion, lonely, friendly, retired and sedentary. Regarding Caramulo as an event, it would be a countryside party during the afternoon, in Serra do Caramulo, where it would be playing traditional Portuguese music (Quim Barreiros). For a more detailed description, see exhibit 25.3.

6.3.2 - Quantitative Research

6.3.2.1 - Marketing Problem

To better understand the consumers' preferences and specific insights regarding the bottled water category, namely the decisive influencing factors in the purchase moment, and to assess the consumers' receptiveness towards the suggested potential water segments.

6.3.2.1 - Sample

A sample of 542 answers was gathered, counting with approximately 67.5% female and 32.5% male, with ages ranging from 21 onwards. Given the team's network, the largest segment reached was the youngest one - between 21 and 25 -, representing nearly 55% of the sample. The oldest segment was the most difficult to obtain answers from, representing only 4%. Despite all that, the sample covers all age segments, where 84.9% attained a university degree (for further details please consult exhibit 26.1).

6.3.2.3 - Methodology

For the purpose of assessing the potential water segments, a quantitative research was made through an online survey featuring closed questions, which was distributed through social media in order to reach as many diverse people as possible. However, a filter was applied to only allow portuguese people over 18 to answer the survey. The questionnaire, designed for this research (exhibit 26.2), embodies five sections: the overall consumption of bottled water by the consumer; social and environmental sustainability; beauty; convenience; and a sample characterisation. The second, third and fourth sections have a set of question to assess the three potential water segments previously chosen. The first section aimed to gather insights and understandings regarding the main factors that influence purchase decisions. As for the second section, the objective was to understand how receptive the consumer is in what concerns sustainable and eco-friendly products. In the third section, the objective was to understand what is the consumer's perceptions and concerns regarding the benefits of water and beauty, and also the openness to a new water segment. In respect of the fourth section, it approached respondents with some questions to comprehend the level of importance they attribute to convenience, from the transport to the water bottles' store positioning. Lastly, to close the questionnaire, some questions were asked for sample characterisation purposes.

6.3.2.4 - Main findings

Price ($\bar{x}$= 35.01) seems to be the main buying driver for respondents when buying bottled water, followed by flavour ($\bar{x}$ = 15.39) and quality ($\bar{x}$= 13.22), pH ($\bar{x}$=8.34) and promotion ($\bar{x}$= 7.21) as other influencing factors (please see exhibit 26.3.1, chart "*When choosing bottled water, what factors do you consider more important at the time of purchase?"*). The most frequent channels used when purchasing bottled water are restaurants/cafes/hotels (500 out of 542), supermarkets (495 out of 542) and hypermarkets (465 out of 542). Regarding frequency, restaurants/cafes are the places where people go more often and 40.6% of the respondents go there 5 or more times a month. In relation to hypermarkets, supermarkets and discounters, respondents' purchases are less frequent. 43.5%) of the respondents do their shopping in hypermarkets, 43.2% () in discounters, and 34.1% in supermarkets around 1 or to 2 times a month (exhibit 26.3.1, chart "*How often do you use the following buying channels?"*).

When asked about how often they buy bottled water for in-home consumption the answers were diffused. 38.01% of the respondents never buy water to consume at home, whereas 28.23% buy it only 1 or to 2 times a month (exhibit 26.3.1, chart "*How often do you buy bottled water to home consumption?"*). In contrast, almost everyone buys water for out-of-home consumption, apart from 6.83%. 37.82% buys water to consume out-of-home 5 times or more per month, 21.96% 3 to 4 times per month, and 33.39% 1 to 2 times per month (exhibit 26.3.1, chart "*How often do you buy bottled water to out-of-home consumption?"*).

Regarding brands, Luso is the most purchased one, (70.4%), followed by private labels, (69.9%). (52.6%) buy Vitalis and o (32.8%) buy Caramulo (exhibit 26.3.1, chart "*How often do you buy the following brands?"*). The contingency table presented in exhibit 26.3.1 was elaborated to understand if the frequency of purchase was related with the availability of the brands in the respective channel, which was not, except for Luso and supermarkets (it seems that people that go more often to supermarkets tend to buy more often than expected the brand Luso).

When asking about environmentally sustainable causes, respondents appeared more concerned about the access to drinkable water ($\bar{x}$= 30.79), quality of the air ($\bar{x}$= 20.34) and the ocean's pollution ($\bar{x}$= 20.25). This sensitivity is reflected in several attitudes such as recycling at home (398 out of 542), drinking tap water (296 out of 542) and buying fresh and/or organic products (278 out of 542). This data is presented in exhibit 26.3.2, on the chart named "*Distribute 100 points between the different environmental causes, according to their importance*" and on the chart named "*Which daily attitudes did you change do to environmental concerns*?". To better understand consumers, respondents were asked to identify the ecological footprint weight of materials by using terms of comparison between them. Therefore, they identified plastic as being the most polluting material (373 out of 542), PET as the runner up (257 out of 542) and paper as the least harmful for the environment (225 out of 542). Check the chart "*Which material do you consider the most polluting*?*"* in exhibit 26.3.2. In respect of social concerns, respondents care more about health ($\bar{x}$ = 20.65), hunger and poverty ($\bar{x}$ = 18.17) and serving children ($\bar{x}$= 17.43). Some have taken actions to improve their social impact, such as volunteering (225 out of 542), supporting local commerce (189 out of 542) and donations (186 out of 542), there is still a large number of respondents who did not have a change in attitude (110 out of 542). See chart "Which daily attitudes did you change do to social sustainability concerns?".

Considering the role of brands in this segment, only 2.95% of respondents, mostly from older age groups, actively search for information about the impact of brands (exhibit 26.3.2, chart "*Do you search for information about the environmental impact of brands?"* and following contingency table. As such, and according to the graph "*Where would you consider more important to place the communication of the environmental and social sustainability campaigns previously mentioned*?", companies should keep consumers informed by communicating through social media (315 out of 542), TV (314 out of 542), PoS (298 out of 542) and packaging (231 out of 542).

Furthermore, from the survey it can be concluded that respondents are willing to pay more for eco-friendly products (38.19% said "*yes*" and 50.92% said "*maybe*"), which is related with age (see contingency analysis presented in exhibit 26.3.2), being more likely for older people to buy them, maybe because of their purchasing power (exhibit 26.3.2, chart "*Would you be willing to pay more for a eco-friendly packaging*?"). In addition, consumers are willing to pay more for social sustainable products (57.38% said "*yes*" and 34.13% said "*maybe*"), independently of their age (exhibit 26.3.2, chart "*Would you be willing to pay more for a packaging related to a social cause*?" and following contingency analysis).

Considering beauty and personal care, respondents are attentive and value this component when together with environmental sustainability, with a major concern for their hair (435/542), followed by their face (388/542), body (367/542), skin (349/542) and nails (203/542). However, as this is a recent product segment in Portugal, there is the need to educate the consumer about this new product, because it appears that the respondents don't know what to expect and how to react to it. Bearing this in mind, the majority of the respondents (39.11%) may be open to the possibility of buying water with beauty benefits, some may be willing to pay more for it (47.22%), and some may be open to the possibility of buying a facial cream or other beauty product with thermal water from their favourite water brand (40.52%).

Almost one third of our respondents (33.58%) are unwilling to buy this type of water; however, there is the possibility to change these numbers with a strong and effective communication of such benefits, since 20% of them mentioned that the reason why they are unwilling to buy it was because they do not know the health/beauty benefits of water/silica. On this last point, only 4.61% are aware of the benefits (exhibit 26.3.3, "*Do you know the benefits of silica*" and "*If a brand proposed to launch a beauty water. Would you be willing to buy this water*? If no, why?*"). Most of the respondents (496/542) expect to find this beauty water in supermarkets and some expect to find it in pharmacies (215/542). Regarding the expected price of beauty water, only 34% of the respondents are unwilling to pay more than €0.30 for a 1.5L bottle and 39% are unwilling to buy beauty water with the same regularity as they buy still water (exhibit 26.3.3, "*How much would you be willing to pay for a 1,5L beauty water?*").

By analysing the results of the convenience segment, transport was considered the most relevant aspect, with a mean of 28 points (respondents were asked to distribute 100 points between some factors). The household consumption, such as difficulty to serve a glass of water, was considered the second aspect that influenced the most, with a mean of 20. Thirdly, easiness to open had a mean value of 19. Ergonomic packaging and in-store positioning were also mentioned, with a mean value of 13 and 11 respectively, meaning that this should also be taken into consideration. Home delivery service and online shop or app service did not have a significant impact (exhibit 26.3.4, "Which aspects of convenience do you consider most important?").

Regarding product characteristics (exhibit 26.3.4, "*Regarding the product packaging, please indicate the characteristics you are looking for when buying bottled water.*"), people are looking for easiness to carry small packaging (347 out of 542), followed by easiness to carry big packaging (254 out of 542). Moreover, easy pull was also considered important by one third of the respondents (210 out of 542).

In relation to in-store placement (Exhibit 26.3.4, "*Regarding to in-store placement, what actions do you consider impact on the decision to purchase bottled water?*"), 42.6% of the sample tends to take into account being easy to reach on the shelves, where the age groups where it has more importance is in [36-50] with 47.9% and in [51-60] with 48.8% answering that it is very significant. When asked about a mechanism to support transportation of bottled water, it was observed that it has little impact among all the different age groups, with 45.75% of the sample responding that it has no relevance. Regarding additional in-store displays, the majority think it has no impact. Finally, when it comes to refrigerated water, 37.3% of the sample regards this factor as very relevant, where among the age group of [26-36] 44.3% consider it very important.

6.3.3 - Experts Interviews

6.3.3.1 - Marketing Problem

To understand the benefits of Silica related to health and beauty, as well as benefits of the total mineral composition of the brand Caramulo.

6.3.3.2 - Methodology and Sample

Direct interviews with experts in nutrition were conducted to analyse the composition of Caramulo. A sample of 4 experts, in which 3 were nutritionists and 1 was a student of nutrition was gathered, to whom it was showed the mineral composition of the brand and asked to comment its health benefits, with special emphasis on the amount of Silica present in the water.

6.3.3.3 - Main Findings

Through the interviews it was concluded that Silica has a relationship with collagen and has benefits related to skin, nails and hair as well as other health benefits. However, there is still no scientific evidence that shows that these benefits can be acquired by drinking water therefore the direct relation between the elements should not be stated. In what regards the remaining mineral composition of Caramulo, it was also stated that the sodium level of the water is not excessive and its high level of mineralization its beneficial for a healthy person. (see exhibit 27)

6.3.4 - Second Qualitative Research

6.3.4.1 - Marketing Problem

To better understand the consumers' willingness to pay and value attribution, regarding the bottled water category, focusing on the segments previously selected: environmental sustainability, beauty, sports and convenience. Furthermore, with this second qualitative research it was attempted to identify potential positioning opportunities for the segments.

6.3.4.2 - Methodology and Sample

A second qualitative research was needed as a complement to what was done before, addressing some specific topics yet to be explored. A sample of 15 respondents was gathered, composed by 9 women and 6 men with different backgrounds, covering all ages ranges between 18 and 65 years old (exhibit 28.1).

The interviews were conducted face-to-face in order to the respondents clearly understand the concepts that were being tested. The interviews guided the respondents through willingness to buy, evaluation of several characteristics that influence the purchase decision, and finally, price perception and valuation. In further detail, the descriptive research intended to assess the maximum price at which consumers would buy the product, the price they would expect the product to be sold, and the price limit before the product would start to be perceived as having low quality. Some price references of similar products in the market within the segment were given as guidelines in necessary cases. Please consult the interview guide in exhibit 28.2.

6.3.4.3 - Main Findings

Firstly, introducing a concept of a bottled water focused on environmental sustainability and with 50% of recycled PET incorporated in the bottle, interviewees were asked if they would buy the product.

They were also given the information that this product has services associated, such as specific machines to collect the bottles, and which in return gives discounts to buy other bottles. 13 out of 15 said they would buy the product and equally highlighted the eco-friendly packaging, price, bottle design, different format availability and the association with social causes as important factors when making a purchase decision. In average consumers seem to be willing to pay 0.63€ for the product (0.5 litres), but the values vary between 0.2€ and 1.5€. All the main findings of the second qualitative research are presented in exhibit 28.3.

When asked to the interviewees if they would buy an environmentally sustainable Beauty Water with beauty benefits for the hair/nails/skin, 10 out of 15 (all female) said they would buy it. Specific water characteristics (eg. vitamins) stood out in a list of important factors that influence the purchase decision. It is also to highlight the promotion by beauty ambassadors/ experts, the brand of the product and the bottle design. For this product, consumers seem to be willing to pay for a 0.5l bottle, in average, 1.20€, with values ranging from 0.22€ to 4€. For the same product, but with an extra special vitamin cap with beauty benefit, consumers willingness to pay seems to go up to an average of 1.38€, ranging between 0.25€ to 4.5€.

Approaching the sports segment with a bottled water, whose brand is actively present in sports events and offers innovative services such as a running app where consumers can trade km for discounts or donate the converted money to social campaigns, 11 out of 15 respondents said they would buy the brand. The most important factor in the purchase decision pointed to the athletes' ambassadors promoting the product, followed by innovation, bottle design and price. Furthermore, considering a Vitalis Sports Bottle (0.75l) that would have special vitamin caps to help prepare consumers for the coming sports practice and another similar bottle but with vitamins to help muscles to recuperate after practice, respondents seem to be willing to pay, on average, 1.41€.

Lastly, 11 out of 15 interviewees mentioned they would buy a 3l bottle container with a tap focused on convenience. The most important factors were related to convenience (easiness to put in the fringe, easiness to serve the water, among other), price and eco-friendly packaging. As for willingness to pay, the average indicated 1.76€, counting with values between 1.2€ and 2.7€. Further details reporting the expected price ranges and factors valuation can be found in exhibit 28.3.1 and exhibit 28.3.2, respectively.

7 - Solution

After analysing the market situation and acknowledging consumers' feelings, perceptions and attitudes, it arose the need to come up with a concept solution to fit the brands Vitalis and Caramulo. Firstly, with the previous insight as a basis, potential positioning opportunities were identified for the segments, followed by the Kapferer brand identity prism (Kapferer, 2012) to guide and specify the communication objectives. Moreover, Caramulo is an underdeveloped brand, still to be explored. Its main characteristics are an old fashion look perceived as boring, traditional, the source communication, and most important, the high levels of silica (chemical component of the water, responsible for the hair, skin and nails' health). Since Caramulo needs to be repositioned, it will be guided by the potential segments previously analysed. Thus, the brand should be rebuilt as a respectful, friendly and green brand, embracing environmental sustainability by relaunching its bottles with a new 50% rPET packaging, while keeping a non-recycled PET bottle in the on-trade channel for pricing strategy reasons. Furthermore, Caramulo will have a brand extension named Caramulo Care, focused on beauty and highlighting silica's benefits.

On the other hand, it is noticeable that Vitalis is a strong and inspirational brand focused on athletes who practice individualistic sports. However, as its focus is only on the athlete, it can be seen as an opportunity to grow the brand to extend it to a larger public - including the community behind an athlete -, bringing people together. As Vitalis has a lot of experience in the sports segment, strategies could be implemented by using advertising and sports events, among others that will be further discussed in the. The brand does not require a change in image since it has high brand awareness and recognition. In addition, the positioning should remain similar since consumer already associate Vitalis with what the brand wants to communicate.

Since by 2020, 22% of the portuguese population is expected to be over 65 years-old, convenience has become a segment with high potential. Along with the insights retrieved from the qualitative research, is it viable to conclude that consumers are looking for lighter packaging, easy to carry and serve. Hence, Vitalis and Caramulo products should be accessible on the shelves, also betting in 3 litres bottles with a tap, in order to answer the consumers' needs. In the long term, Caramulo Care and Vitalis should invest in innovative products such as bottled waters with different vitamin caps, with specific benefits for distinctive purposes. Further details will be listed and explained in the following chapters, starting with the positioning and new brand identity (for the current brand identity please see exhibit 29).

8 - The Brands

8.1 - Segmentation

As observed in the primary research conducted, consumer preferences in the still bottled water market are quite heterogeneous (see exhibit 30), which suggests the need for segmenting the market. As suggested by Gupta, seven different segments were uncovered based on *who*, *what* and *why* variables (see exhibit 30.2 and analysis in the individual report on positioning) which can be described as follows:

The sustainability advocates**:** They are more women than men and younger than 35 years old. They have a passion for the world around them, and believe they can create a positive impact in society. They incorporate in their daily life small actions such as recycling or volunteering, which they feel contribute to help their close community. They are informed shoppers and seek for products that mirror their behaviours and/or are less polluting and are somewhat available to pay more if they can feel a concrete impact of the brands. Convenience is not their main purchasing driver, and the related benefits they might seek are quite variable regarding mood or occasion.

***The beauty queens*:** They are more women than men and are from mixed age groups. They seek the utmost beauty regime, because they want to be beautiful and feel beautiful, inside and out, either because they see it as a lifestyle option or as a effort to fight against the ageing signs. They take care of their nails, hair and face on a daily basis. When they shop for beverages they are mindful of functional benefits that can help them maintain a healthy lifestyle and improve their beauty maintenance, and they are willing to pay more for products that meet these criteria as well as sustainability. Convenience is not their main purchasing driver, and the related benefits they might seek are quite variable regarding mood or occasion.

The skepticals: They are more men than women and are younger than 35 years old. They like to be informed and have a strong opinion about the issues that most concern them. As a consumer, they are distrustful of brands, because they do not believe first-hand in the claims brands make to differentiate themselves. They have a hard time perceiving the added-value of functional benefits and/or CSR campaigns and are subsequently more price sensitive within the still bottled water category. Convenience may have a bigger influencing role, although the related benefits they might seek are still variable regarding mood or occasion.

The number one: They are more men than women and seem to be from mixed age groups. In a quest for success, they want to surpass themselves in everything they do. They are competitors by nature and that is expressed in both their professional and personal lives. They are active sports advocates and are mindful about their health regime, and their diet reflects those concerns seeking out hydration and enhanced drinks options. More than that, to get the strength to achieve their goals, they are surrounded by the support of their family, friends and community. Convenience for them also might vary according to occasion of use, but they might seek out formats that adapt to their training sessions or are available at their training spot.

The scrooges: They are more men than women and are younger than 26 years old. Comparing the prices is a habit for them, either because they have less purchasing power or due to their own personality, meaning that when they choose a product, price or promotions will be their ultimate deciding factor. They see bottled water as a basic need and have a high level of price sensitivity regarding the category. If convenience does not implicate a change in price, they might be drawn to adjust their needs based on it.

***The family-types*:** They seem to be both men and women and from mixed aged groups. They live an active life balancing their professional and personal lives. They have a family of different aged kids, and are experts in managing their different needs. They seek for different packaging and offers that fit their life stages and trustful and safe brands.

***The well-being gurus*:** They are more women than men and seem to be from different age groups. They are health advocates. They like to look good and feel good and they seek out a healthy and balanced diet that enables them to have an active and wholeful lifestyle. They seem to seek out advice from experts and incorporate it into their choices. They see bottled water as a source of hydration and the ultimate health drink and seem to have a higher availability to pay more for products that contribute to their well-being. Convenience is not their main purchasing driver, and the related benefits they might seek are quite variable regarding mood or occasion.

8.2 - Targeting

After segmentation, a company should focus on selecting "segments that improve the organisation's chances of maximising its long-term profitability in those segments" (Gupta, 2014), which is the goal of targeting.

Following an analysis of the segment characteristics (see exhibit 30.3 and analysis in the individual report on positioning), the competition within each segment and the company fit, 3 targets were uncovered as the most promising ones to fit the multiple segment strategy of the brands' portfolio. As such, for Caramulo, the right fit was *the sustainability advocates* and for Caramulo Care, *the beauty* *queens*. For Vitalis, SBG should target *the number one*, as it was already focused on that segment before, however it should bear in mind the community that supports him.

8.3 - Positioning

Now that the targets for each segment have been chosen, it comes the time to develop a compelling brand positioning (please consult the individual report on positioning), which "refers to the specific, intended meaning of the brand in the mind of the targeted consumers" (Tybout and Calder, 2010). After analysing the current brand positioning of both Vitalis and Caramulo (exhibit 30.4), and based on each target segment chosen as well as attributes and characteristics which they value most (exhibit 30.5, 30.6 and 30.7) a new positioning for the both brands were developed as well as one for the a new brand extension: Caramulo Care. It is useful to summarise this information in a positioning statement for each offering within the brands' portfolio, as follows:

Caramulo Positioning Statement

To consumers who seek to have a positive impact in society and are actively concerned about environmental issues [Target] **Caramulo** is a natural spring water [Frame of Reference] that **offers** a true sustainable water source [POD] **because (1)** the packaging is composed of 50% of rPET and **(2)** the brand has a unique focus on sustainable initiatives [Reasons to Believe].

Caramulo Care Positioning Statement

To women who seek to be the most beautiful version of themselves and are mindful of their natural healthy lifestyle, obtained in a sustainable way [Target] **Caramulo Care brand extension** is a beauty spring water **[**Frame of Reference] that **offers** the best sustainable source of natural beauty [POD] **because (1)** it has higher than average levels of Silica (28 mg/L) **(2)** it has a more sustainable packaging with 50% rPET [Reasons to Believe].

Vitalis Positioning Statement

To status achievers who are competitive by nature and seek both success in their personal and professional lives, are sports enthusiasts and understand the support of their community as a crucial way to obtain the necessary strengths to achieve their goals [Target] **Vitalis** is a natural mineral water [Frame of Reference] that **offers** a pure source of hydration, energy and motivation [POD] **because** **(1)** is the best source of hydration for athletes and **(2)** it supports athletes achieve their goals: official marathon water sponsor; official paralympics water sponsor [Reasons to Believe].

8.4 - Brand Identity

8.4.1 - Vitalis New Brand Identity

Vitalis new brand identity is built according to Kapferer's Brand Identity Prism Model (Kapferer, 2012) (exhibit 31.1).

Physical: Vitalis presents some salient features such as the round designed bottles made of a transparent, slightly blue PET. The logo's colours are quite vibrant, with the red and blue contrast, presenting a big blue "V" with nature elements - a flower, a bird and a butterfly - which suggests freshness, movement, life and the nature environment. At last, and one of the most important features, in order to protect the bottle from pressure under impact, compression or shear forces, Vitalis shape - inclination angles, thickness, and depth of the helical structures - is designed based on biomimicry.

Personality: Vitalis has a young, energetic, vibrant personality. If it was a person, Vitalis would be sportive, trendy, sociable and concerned with the other. Additionally, it would be goal oriented and collectivist.

Culture: The brand Vitalis is deeply about inspiring and innovation (lightest PET water bottle on the market). It is a Portuguese brand, focused on sports and fitness, challenging the limits/ eager to win, reasons why is the Official Water of Marathons, also embracing a "share the victories" policy. Vitalis is strongly reinforced for its social/environmental sustainability strategies (supports social causes;

100% recyclable PET bottles) and it is to highlight the brand's attentiveness to social causes. Furthermore, the brand shows that looks after people by its slogan "Beba Vitalis, olhe por si".

Relationship: Vitalis offers to its customers a pure and safe bottled water and also its commitment to innovate in order to serve them with top experiences, reason why it offers the lightest PET water bottle on the market and easy to open caps (pressure controlled). The brand aims to bring inspiration to the athletes and to the families/ community that support them.

Customer Reflection: By consuming Vitalis, consumers wish to be seen as athletes and their communities. Someone who is successful, winner, and has a healthy and dynamic lifestyle. The perceived customer should be attentive to social and environmental causes.

Self-Image: By purchasing and using the brand, the desired consumer type should feel: "With my family/friends' support", "I feel motivated to beat my own records and push beyond my limits"; "We enjoy life to the fullest"; "I feel that by drinking Vitalis, I'm helping others"; "We are winners".

8.4.2 - Caramulo New Brand Identity

Caramulo brand identity is also examined using Kapferer's Brand Identity Prism Model (Kapferer, 2012) (exhibit 31.2).

Physical: Caramulo new identity has several salient features such as its slightly blue transparent bottle (same plastic colour as Vitalis), round shape, and a green cap to easily link the brand to environmental sustainability. The logo is clean and it is inspired by a mountain shape. In the logo, it is possible to recognise a mountain and the words "Água de Nascente" are present underneath the name "Caramulo". In the label, there is also a slogan saying "De ti, para o mundo" ("From you, to the world") with a QR code that leads the consumer to the brand's website where he can get informed about the environmental campaign being supported. Another feature is a stamp stating that the bottle incorporates 50% of rPET.

Personality: If Caramulo was a person, it would be trustful, friendly, caring, helpful, happy and it would respect the environment.

Culture: Portuguese brand which, according to the brand's strategy is defined by being environmentally sustainable, having the mission of making the world better ("De ti, para o mundo"). Furthermore, the company claims its purity and natural source/ provenance.

Relationship: Caramulo aims to offer functional benefits, such as easy to open caps and the opportunity of participating in environmental campaigns, but also emotional benefits, where the consumer gets to experience the guilty free feeling and the water purity. The brand promises to commit to these environmental causes, and for that it can be trusted.

Customer Reflection: The ideal consumer type is a portuguese person who seeks a healthy body/ lifestyle, and is someone who truly cares about the environment.

Self-Image: By purchasing/consuming Caramulo, consumers experience a self-reflection: "I care about the environment and I want to make the difference"; "I feel that I can trust the brand and the quality of the water".

8.4.3 - Caramulo Care Brand Identity

A few changes were made in the Caramulo brand identity to shape the identity of Caramulo Care. Caramulo Care is a brand extension of Caramulo, which is operating in a new segment - by launching a water focused on beauty -, and delivering a new value proposition. Its brand identify is build based on Kapferer's Brand Identity Prism Model (Kapferer, 2012) (exhibit 31.3).

When considering the **Physical** facet, Caramulo Care's bottle is aqua Green transparent with more elegant and clean lines. It has a aqua Green cap to draw women's attention and a clean logo with the word Care in pink. In the logo, it is possible to recognise a woman laying down in one side, with her contours shaping a mountain. This image consists in the bridge between Caramulo Care and its parent brand. The words "Água de Nascente" should remain in the label, as well as the slogan "O melhor de ti" ("The best of you") with a QR code that leads the consumer to the respective brand's website to track the environmental campaign. Another feature that remains the same is a stamp stating that the bottle incorporates 50% of rPET.

Personality: If Caramulo Care was a person, it would be trustable, friendly, caring, helpful, cheerful and it would respect the environment. Furthermore, it would be classy in a simple way.

Culture: The brand extension Caramulo Care stands for the same values as Caramulo, although it adds the responsibility for a healthy skin, nails and hair.

Relationship: Caramulo Care's main goal is to offer functional benefits, such as easy to open caps, the opportunity of participating in environmental campaigns, and most important, beauty (health related) benefits. As for emotional benefits, the consumer get to experience the guilty free feeling and the water purity. The brand promises to commit to these environmental causes, and for that it can be trusted. Additionally, consumers can rely on Caramulo Care to feel more beautiful.

Customer Reflection: The ideal consumer type is a portuguese, high spirited woman, who truly cares about the environment, seeks for a healthy body/ lifestyle, and looks after her skin/ nails/ hair health.

Self-Image: By purchasing/consuming Caramulo Care, consumers experience a self-reflection regarding their actions and concerns: "I care about the environment and I want to make the difference"; "I feel that I can trust the brand and the quality of the water"; "I'm concerned about being healthy and my skin/nails/hair health"; "I enjoy giving myself a treat".

8.5 - Brand Architecture

Super Bock Group - corporate brand -, belongs to a house of brands (exhibit 32.1), which involves marketing various product brands from different categories under its name, all with their own positioning (exhibit 32.2). Both Vitalis and Caramulo brands belong to the still water category portfolio. Besides the still water category, the company operates in the beer, sparkling water, wine and soft drinks categories. Furthermore, Caramulo Care is a sub-brand, also considered brand category extension, of Caramulo. Thus, Caramulo is the parent brand of Caramulo Care, since this last one enters the beauty market while keeping Caramulo's environmentally sustainable principles. (see individual report on branding, page 4)

8.6 - Brand Elements

8.6.1 - Vitalis

For the brand Vitalis, the **name** remains the same because it is already recognised and recalled by consumers, and it is suggestive of the water freshness and vitality. Moreover, apart from the name, almost all the elements continue the same, namely the logo, the slogan and the packaging. The **logo**, Vitalis in red with a big blue V in the background, reinforces the name itself by bringing elements from the nature which transmit movement and life - boosted by the contrast of the colours. Therefore, having in mind these natural elements, there is a direct association with health. The **slogan** "Beba Vitalis, olhe por si" emphasises the brand's name, and implicates a functional connection, being informational. However, this brand is also strong in emotion, using as a slogan for a current campaign "Sede de Vencer" and "E tu, tens sede de quê?" to inspire and incentive the practice of sports and the desire to give your best. Another aspect to salient is the **packaging**, a very crucial brand element to help identifying the brand. It looks similar to some other brands, but is really well designed with a strong concept, since it is inspired in biomimicry.

Additionally, for the brand Vitalis, a **mobile app** will be created, linking the brand to its online **website** page. Although the app does not exist yet, its main point is to increase brand awareness, to link people to form a community and, at last, to act as a facilitator for people to support social causes.

8.6.2 - Caramulo

For the brand Caramulo, the **name** does not suffer alteration in order to keep the few existing consumers and to maintain the current brand culture of being transparent and communicating its origin. Furthermore, the brand has a clean new **logo** inspired by a mountain to make justice to this highly pure and respectful brand. Likewise, the lettering is adapted to the new brand identity. The **slogan** “De ti para o mundo” (“From you to the world”), together with the advertising campaigns and informational website and label, establishes an emotional connection with environmentally sustainable causes. These elements were created to make Caramulo a reliable and trustable brand. The **packaging** is also different, with its slightly blue transparent bottle (same colour as Vitalis), its slim shape and green cap to make the bridge between Caramulo and environmental sustainability. The product design manual can be consulted in exhibit 33. (for Caramulo packaging please see exhibit 34)

Along with the previous elements, Caramulo has a QR code in its label that can be read to conduct the consumers to its **website**. This last element serves the purpose of being a tool for consumers to help the environment, by choosing to assist one of the selected environmental causes.

8.6.3 - Caramulo Care

The following brand elements have been created in order to build the brand Caramulo Care. Starting with the **name**, Caramulo Care, it has been named after its parent brand Caramulo. That way, they are easily linked to each other, expanding Caramulo’s values to Caramulo Care, and therefore, making Caramulo Care a reliable and trustable brand. Regarding the **logo**, it is clean and inspired by Caramulo’s logo, also resembling a woman’s curves. The **slogan** “O melhor de ti” (“The best of you”) tells the consumer to be its best and support environmentally sustainable causes, in one hand. In the other hand, the brand tells them to look as good as possible. Additionally, the **slogan** also touches the beauty as the segment this water targets. Regarding the **packaging**, it is aqua green transparent, with a slim, classy but simple shape. It has an Aqua Green (greenish-blue colour, a variation of the colour cyan - exhibit 35) cap since it is a beauty water that targets women. The product design manual can be consulted in exhibit 36 (please see Caramulo Care packaging in exhibit 37). Caramulo Care has the same QR code in its label that can be read to conduct the consumers to its **website,** where they can choose to assist an environmental cause. As another crucial element, Caramulo Care has a **spokesperson** to reassure the credibility of the brand, as it states to have silica - a component that benefits the health of the hair, skin and nails. Since there is a need to build and grow brand awareness, the spokesperson is a **nutritionist or pharmacist** reliable regarding health and chemical composition.

8.7 - Product

According to the project's proposition, Caramulo will be positioned as an environmentally sustainable brand and for that it will launch a new bottle with a more sustainable material incorporated. Moreover, the brand will launch a brand category extension to a new sub-category of beauty still waters: Caramulo Care, that will incorporate several new launches over the timeframe of 5 years. Also, for both Caramulo and Vitalis, new formats will be launched aiming to tackle the convenience aspect of packaging/transportation that, as analysed in the primary research, seems to be a commonality between consumers in the still water category. Nevertheless, in the on-trade channel, 3 SKUs with the previous characteristics of the brand Caramulo will be kept to be used as a fighting range that meet the needs of more price-sensitive on-trade clients and that contributes for SBG to maintain its current position in HoReCa trade (all product launches can be found in exhibit 38.1).

8.7.1 - Product Mix Breadth

The product mix breadth "refers to the variety and number of product lines offered" (Dolan, 2015) by a given firm. The product mix breadth for Super Bock Group which includes the new brand Caramulo Care can be consulted in exhibit 38.2.

8.7.2 - Product Line Depth

"The number of items in a given product line" is called Product Line Depth and it will be "driven by how many different segments within the target market the firm wishes to serve" (Dolan, 2015). The product line depth for the waters of Super Bock Group in which Caramulo, Caramulo Care and Vitalis are included can be consulted in exhibit 38.2.

8.7.3 - Product Item Design

Product item design "refers to the product's design specifications" and can "further be disaggregated into *stock-keeping units* (SKUs) as it is offered" (Dolan, 2015).

8.7.3.1 - Caramulo

Caramulo will have 5 new SKUs for the off-trade channel: 2 with the same sizes offered currently but with the change in the material of the bottle (50% rPET) which will overtime substitute completely the existing SKUs, and a 3rd SKU, a 3L bottle with a water tap incorporated to facilitate servings at home. Furthermore, SBG will introduce in this channel 2 new SKUs, 0.33L and 0.5L, both produced with 50% rPET. For the on-trade channel, the 3 already existing SKUs will be complemented by the introduction of other 3 of the new rebranded Caramulo. Like this, Caramulo will continue to serve cafes and smaller restaurants with the SKUs with the previous characteristics of Caramulo and will start to serve bigger and more premium restaurants with the new Caramulo SKUs, supporting Vitalis to gain more territory in this channel. The launch frame and further description can be seen in exhibit 38.3. As mentioned above, the product design manual for the brand Caramulo can be consulted in exhibit 33.

8.7.3.2 - Caramulo Care

As previously mentioned, the product design manual for the brand Caramulo Care can be consulted in exhibit 36. Caramulo Care will launch 4 new SKUs for the off-trade channel over the given time frames: 3 of those will be launched in Year 3, at the time of the brand launch, followed by an additional 3 in Year 5 that will introduce 3 variations of beauty flavoured vitamin caps. This Vitamin Beauty Product has a particular cap designed with a protective cover, and when it is opened for the first time, it releases its content (vitamins in powder) into the water, ready to start drinking immediately after shaking it. The vitamin caps will add specific benefits to the water: for hair care, the brand will offer a B-complex + Vitamin C enhanced water with a citrus flavour; for skin care, the brand will offer a Vitamin A + E enhanced water with a passionfruit & papaya flavour; for nail care, the brand will offer a Selenium + Zinc enhanced water with a pomegranate & strawberry flavour. For the on-trade channel, a smaller bottle of 330ml of Caramulo Care will be introduced to generate trial of the brand. Also, the variations of the vitamin caps, as well as a 0,33L bottle of Caramulo Care, will be launched in specialized channels, namely drugstores (exhibit 38.4).

8.7.3.3 - Vitalis

Vitalis will keep the existing SKUs and will launch a new SKU in Year 2 paired with Caramulo, a 3L bottle with an incorporated water tap to tackle convenience, which will be available in off-trade channel. Additionally, in year 4, Vitalis will incorporate a new innovative product in its portfolio, which consists in a bottle with a special vitamin cap similar with the one from Caramulo Care, but with vitamins for the purpose of drinking before practicing sports, and another line to help muscles recover after practicing sports. The latter will be launch both in off-trade and pharmacies and drugstores.

9 - Pricing

Price is the fourth component of the marketing mix and has the role of distributing the value created by the other marketing mix elements between the company and the customers for whom this value is being created. Thus, it “must be high enough to yield a profit yet low enough to give buyers sufficient incentive to buy” (Smith & Nagle, 1994).

Whenever is possible, the strategy followed will separate the different customer segments and price differently to each. These consumer segments have different perceptions of the same product’s value. For instance, within the category of still water bottle consumers might be price-sensitive and look for bigger formats because the price per litre is cheaper, or consumer might be motivated by convenience and seek a convenient packaging, and so on. Thus, different pricing strategies will be needed to align prices according to the positioning and the perceived value that is being created to each specific consumer segment, so that buyers can self-select “among the alternatives based on their needs and on their ability and willingness to pay” (Dolan & Gourville, 2014). Offering a brand of bottled still water “that vary both in functionality and price should better meet the needs of this diverse customer base” (Dolan & Gourville, 2014). For further clarification of the range and the rationale of each of the products and packaging choices please refer to exhibit 39. Therefore, this approach to pricing will focus on a customer value-based method, where the schematic value-pricing thermometer will be used to capture the key elements of this pricing decision: True Economic Value (TEV), Perceived Value (PV) and Cost of Goods Sold (COGS). Prices will be established between two extremes: On one hand there is the PV, which “typically is less than the TEV for a variety of reasons” and set the ceiling price. On the other hand, COGS set the price floor (Dolan & Gourville, 2014).

9.1 - Pricing Strategies

Regarding **off-trade channel**, two different pricing strategies will be implemented according to the different SKUs created. Among the three possibilities for setting prices, **skim pricing strategy** will be applied for Caramulo Care, which includes the basic range and the range of vitamin caps, as these are innovative products and SBG will be the first mover entering the market. In addition, since there is no other water brand focusing on vitamin caps for sports segment, this product will also follow a skimming pricing strategy. Regarding the remaining SKUs, – the new range of 50% rPET for Caramulo and the 3 litres convenience packaging for Caramulo and Vitalis – will follow a **neutral pricing strategy,** since it is not possible to apply nor a skimming nor a penetration strategy, and products will be priced at the same level as other players’ prices, minimising “the role of price as a marketing tool in favour of other tactics that management believes are more powerful or cost effective” (Nagle & Hogan, 2011) to the bottled water market. It is worth noting that a penetration pricing approach is not viable with any brand or sub-brand in the off-trade channel since it is not coherent with SBG's overall strategy, as the company already owns or fills up private labels that have that purpose.

In what concerns the **on-trade**, a **neutral pricing strategy** will be carried out for 4 SKU's acting in this channel - 50% rPET Caramulo, Caramulo Care 0.33l - whereas for the remaining - Caramulo traditional PET 0.33L; 0.5L and 1.5L - a **penetration pricing strategy** will be pursued. Regarding **specialized channels**, namely drugstores and pharmacies, Caramulo Care 0.33l, Caramulo Care vitamin caps 0.5l and Vitalis vitamin caps 0.75l will follow a **skimming pricing strategy**, similar to the one applied in off-trade channel.

After analysing TEV, PV and COGS (through the value-pricing thermometer), as well as other external factors, such as market demand, customer price sensitivity and competitor's pricing approaches, the recommended prices were established, which led to the calculation of the respective margins attributed to the retailer (according to the channel in question) and to SBG.

To a further comprehension of the computations for TEV please refer to exhibit 40. The PV was attained through the second qualitative and quantitative researches conducted by the group (exhibit 26 and 28) and was established specifically through the Direct Price Rate Method, where "the customers are asked to estimate the price of each brand or model of the product, which is demonstrated to them" (Saxena, 2010). To a more detailed comprehension for the computation for COGS and sourcing costs please refer to the individual report on pricing strategy. The recommended prices as well as the margins set ups for all the players involved according to the respective retailer will be explained in the following subchapter.

9.2 - Off-trade Channel

9.2.1 - Neutral Pricing Strategy

As aforementioned, a neutral pricing strategy will be implemented "by default because market conditions are not sufficient to support either a skim or penetration strategy" (Nagle & Hogan, 2011) for the respective SKUs in question. The still water bottle market provides countless options of choice, resulting in a very substitutable market, where there are several products answering to the same consumers' needs. Hence, pricing this SKUs high above the market would not be a good option, thus not being feasible to apply a skimming pricing strategy. Therefore, prices are established in line with the competitors' prices and according to the buyers' perceptions. According to the suggestion provided by SBG, a permanent retail margin of 30% was assumed for all the SKUs available in the off-trade channel. It is worth noting that in this case PV is greater than TEV, which might be due to the fact that respondents were asked about "their willingness to buy or to pay and they are not actually required to spend their money", and thus the respective PV's "paint an overly optimistic picture of the product's potential" (Dolan and Gourville, 2014). Therefore, for those cases the PV was not considered when establishing prices. Please refer to the individual report on Pricing Strategy for further detailed explanation, where exhibit 9 demonstrates the main competitors' prices and respective price per litre. Furthermore, on this individual report it is possible to see the price repositioning matrix of Caramulo and the price variation between the discontinued Caramulo and the rebranded one on exhibit 3 and 8 respectively. The recommended prices per SKU and the corresponding margin set ups can be consulted in the following table.

OFF-TRADE	NEUTRAL PRICING STRATEGY					
	Caramulo 50%rPET				Caramulo 50% rPET Convenience Packaging	Vitalis convinience packaging
	0,33l	0,5l	1,5l	6l	3l	3l
TEV	0.46	0.57	0.73	1.75	1.64	1.69
PV	-	0.63	-	-	1.76	1.76
PVP	**0.26**	**0.35**	**0.53**	**1.67**	**1.50**	**1.53**
Price without VAT	0.23	0.31	0.47	1.48	1.33	1.35
Retail Margin	30%	30%	30%	30%	30%	30%
VAT	13%	13%	13%	13%	13%	13%
Price to retail	**0.16**	**0.22**	**0.33**	**1.03**	**0.93**	**0.95**
SGB Margin	**71%**	**67%**	**35%**	**78%**	**47%**	**57%**
Sourcing costs	-	-	-	-	0.08	0.08
COGS	0.047	0.072	0.215	0.229	0.509	0.408

9.2.2 - Skimming Pricing Strategy

By opting for a skimming pricing strategy SGB will be able to obtain higher margins and maximize its profits on these new and differentiated products - Caramulo Care, Caramulo Care Vitamin Caps, Vitalis Vitamin Caps. The difference between a skimming pricing strategy and the latter is that recommended prices will be established higher above to what the other players in the market are pricing. This strategy might also benefit the company in another point, since customers usually associates high quality with high price. Notwithstanding, it is important to point out that this strategy will be oriented to a target segment that is less price-sensitive, because it perceives better the offering's value or has greater need for this type of product. Nevertheless, PV must be considered to understand how much people are willing to pay. Therefore, the calculations are presented in exhibit 41, where it is possible to see that company's margins are much higher than the products for which a neutral pricing strategy has been implemented (margins vary between 82% and 89%). See a more precise description regarding this skimming pricing strategy adopted in pages 7 to 9 of the individual report on Pricing Strategy.

9.3 - On-trade Channel

For this channel, despite of the fact that SBG will offer a three-price-point strategy (*good, better, best),* prices will be similar to the competitors on the HoReCa channel (for a thorough explanation of this price segmentation approach please refer to the individual report on Pricing Strategy, pages 1-2;10). Besides the dissimilarity in company's margin, the on-trade channel margin will also vary across brands, since two different pricing strategies will be followed. For the SKU's that pursue a neutral strategy, values will range between 23% and 76% for the company's margin, and retailers' margins will be 81% for Caramulo 50% rPET and 83% for Caramulo Care. The product-range that follows a penetration pricing strategy will generate margins for the company between 31% and 76% and an 80% margin for the establishment. Recommended prices will also be different across products with the same format. For instance, a 0.33L-bottle will cost 0.85€, 1.20€ and 1.30€ for Caramulo with the traditional PET bottle, Caramulo 50% rPET and Caramulo Care, respectively (price segmentation/customisation approach). Please check exhibit 42 to see the results.

9.4 - Specialised Channels

Specialised channels will comprise drugstores and pharmacies. Hence, the products that best suit this type of distribution are the ones related with health and well-being. Since, as aforementioned, those offerings are innovative and high valuable for the consumers, they will follow a skimming pricing strategy, which will enable SBG to obtain margins between 76% and 86%. The assumed margin for this type was channel was 65%. The recommended prices and the prices to retail are expressed in exhibit 43, as well as the whole rationale behind this approach.

10 - Distribution

10.1 - Channels

As seen in the description of the collaborators, the sales value of the still water category of the SBG is higher in the on-trade channel than in the off-trade channel. On the on-trade channel, Caramulo has both better distribution, with 30% weighted distribution (WD) and sales value, that account for 90% of the total sales value of the brand, in comparison with Vitalis, with a 19.7% WD and representing 62% of sales value of the brand. On the other hand, Vitalis has a much stronger distribution in the off-trade channel, both in hypermarkets and supermarkets as well as a better sales value percentage in comparison with Caramulo (exhibit 44.1).

The aim of the project will be to reach a higher WD for both the off-trade, giving special attention to increase distribution in supermarkets for Caramulo and its brand extension, Caramulo Care, as it is the most used store format by consumers, aiming to reach a 75% WD in 2023; and the on-trade, where Caramulo and Vitalis are expected to grow around 5 pp each, and Caramulo Care has an objective of 10% WD for the same time period. Also, for the specialized channels, a goal of 20% WD is expected to be reached by Caramulo Care, Caramulo Care Vitamin caps and Vitalis Vitamin caps by 2023 (see exhibit 44.1).

10.1.2 - Channels structure

Although the packaging is provided by Logoplaste, the sourcing of the water and the steam blowing and filling of the bottles is done by the Super Bock Group. These are either stocked in the company's warehouses or are directly distributed to modern retailers and HoReCa clients or through wholesalers. Logistic operators are in charge of around 40% of transportation in both channels, outsourced by the Super Bock Group. The product will reach the end-consumers through modern and traditional retailers, the HoReCa trade or, in the case of Caramulo Care and Vitalis Vitamin, drugstores. (exhibit 44.2)

10.1.2 - Service Outputs and End User Shopping behaviour

When consumers are seeking products to consume at home, they tend to use the off-trade channel, specially hypermarkets and supermarkets, where output levels are relatively low in almost all service outputs except for **spatial convenience** as consumers expect to be able to buy the bottles of water in any store; and **assortment and variety**, which has a tendency to increase with the store size, such as hypermarkets, as consumers expect to have a bigger choice option and may be seeking prefered brands or sizes. Although customer service is low, it may be facilitated by informing salespeople and providing signage in store. Although for the still bottled water category, consumers don't always seek out a lot of information to make their purchasing decision, as Caramulo Care will introduce novelty beauty benefits associated with water, more information should be available to clarify consumers in the PoS (this will be further discussed in the Promotion chapter). As consumers, also might seek for specialty stores if they are looking for products with specific characteristics, Caramulo Care and Vitalis Vitamin caps have also the possibility to be distributed in another channel, drugstores and pharmacies, where information output levels are higher and can be provided by the pharmacist or the salesperson. If they are seeking for on-the-go alternatives, they will either turn to the on-trade channel or try to find the closest retailer nearby, which most often is a traditional retailer or smaller supermarkets. In this case, it is crucial that both Vitalis and Caramulo invest on being widely distributed in restaurants/coffee shops and smaller sized retailers, with smaller size formats, as consumer purchases will be mostly driven by spatial convenience, bulk breaking and the ability to buy it quickly. (exhibit 44.3)

10.1.3 - Marketing Flows in the Channels

Through the team's visits to both the on-trade and off-trade channels and the contact with the sales teams, we were able to characterise the marketing flows of both channels which can be observed in exhibit 44.4.

10.2 - Gap Analysis

10.2.1 - Managerial bounds

The biggest managerial bound the SBG may encounter has to do with Caramulo Care and its positioning as a beauty water which will provide benefits to nails, hair and skin. Consumers may associate such benefits to a different channel, namely drugstores or pharmacies, which may require the company to expand its distribution to more channels in which it has never been previously. Regarding both Vitalis and Caramulo Care, the company might struggle to find an outsourcing partner to provide the vitamin to insert in the caps. This matching process might also present some challenges in what concerns the supply of the 50% recycled PET to incorporate in the Caramulo brand bottles.

10.2.2 - Environmental bounds

Off-trade channel: Large retailers have the ability to offer low price and promotion policies which can affect the sales value of the firm's brands. On the other hand, traditional retailers are struggling, which may represent a decrease in sales in this channel for the group, even if it is not their most representative. However, the subsequent rise in convenience stores, might continue to grow as they can offer "convenience, proximity, product variety and competitive prices", which are key factors for consumers. (Passport, 2017 O)

On-trade channel: The positive growth of the consumer food services is expected to have a positive impact in Super Bock Group sales, but should be paired with a group continuous effort to achieve wider distribution in the channel. Also, the growth of health & wellness food services may become particularly attractive for the company, as partnerships may be sought out to guarantee the distributions of the still water brands in these food services stores. (Passport, 2017 P)

10.2.3 - Demand-side Gaps

Considering the demand side, "gaps mean that at least one of the service output demands is not being appropriately met by the channel" (Tybout and Calder, 2010).

Off-trade channel: a **spatial convenience** gap was detected, especially in respect to distribution in smaller store formats, in what regards the Caramulo brand, as consumers seek more convenient and proximity stores such as supermarkets and convenience stores. Also, an **assortment and variety** gap could be detected in smaller store formats and traditional retailers, as consumers seek for variety of formats and brands and the limited space in store can limit this output. For the whole portfolio, a **service and information** gap was detected as consumers might want to be better informed about the benefits of Caramulo Care, the vitamin benefits of both the latter and the Vitalis sports vitamin caps, as well as the environmental sustainability of the Caramulo brand, since these will all be newly introduced to the market.

On-trade channel: a **spatial convenience** gap was detected due to low WD of the SBG's brands in this channel, especially with Vitalis, which in turn generates an **assortment and variety** gap, as in each food service establishment only one brand is usually represented and there is a limitation in size formats offered due to storage limitation. Also, **information provision** is limited in this channel, as employees do not usually provide information about the added benefits of the products offered, namely the still waters.

10.2.4 - Supply-side Gaps

Regarding the supply side, "gaps can result from a lack of up-to-date expertise in channel flow management or simply from waste in the channel" (Tybout and Calder, 2010). In the **off-trade channel**, one of the main challenge identified relates to the promotional activity which shows no sign of slowing down, taking a toll on margins and adding costs to both negotiation and promotion marketing flows. Also, the need to persuade retailers to guarantee wider distribution in smaller store formats might present some challenges. In regard to the **on-trade channel**, the main challenge is to secure proper space to store and display the brands products and variety. Also, several business owners are also sensitive to price, meaning that there is a challenge in persuading them to pay a higher price for our newly renewed brands. Furthermore, the relaunch of Caramulo with a environmental focus, as well as the launch of Caramulo Care might damage the brand's image in both channels, although in regards to Caramulo a choice was made to maintain a range of products with the traditional packaging. Caramulo Care also may require the entrance in a new channel, drugstores and pharmacies, where the company has little experience with.

10.2.5 - Closing the Gaps

Closing both the **demand-side** and the **supply-side gaps** (see exhibit 44.5) within the **off-trade channel**, will require a focus on negotiation with retailers as a vital part of securing wider distribution and optimal store placement of the entire still bottled water portfolio, enabling the company to provide a wider breadth of assortment and variety in a larger number of stores, as demanded by consumers; as well as guarantee proper POS material and stores displays which will provide information to consumers about the newly introduced products. This will also require a strong emphasis on trade promotions. For Caramulo Care and its Vitamin Caps, as well as the Vitalis Vitamin caps, special attention should be given to guarantee the entrance in drugstores. Since the company already has distribution agreements with one of the biggest retail chains in Portugal, Sonae, it can leverage the relationship to persuade the retailer to add the line of products to their health store chain, Well's, for instance. In regard to the **on-trade channel**, special attention should be given by the sales team to guarantee that food services shops offer a wider variety of either sizes or brands within the portfolio to serve distinct customer demands as well as explaining the option in Caramulo to opt for the traditional PET packaging in case of price sensitivity.

11 - Communication Plan

11.1 - Marketing Objectives

The marketing objectives translate the overall marketing goals into specific objectives to be operationalised (Rossiter & Percy, 1997). The most important marketing objectives are to relaunch the brand Caramulo (2019), launch Caramulo Care (2021), and reinforce the brand Vitalis. Other marketing objectives are to launch new product lines (both involve vitamin caps) for the brands Vitalis (2022) and Caramulo Care (2023). The goal of launching the product lines is to reinforce the brands positioning and attract more consumers.

Moreover, all brands should be well distributed in the on and off trade market - present in cafes, restaurants, hypermarkets and supermarket distribution channels -, with an overall investment of 14,248,670€ counting with advertising and promotion, able to generate profit of 18,105,487€ and a ROI of 35.8% in three years from now (exhibit 45.1) Furthermore, it will be needed to create awareness, mainly for Caramulo and Caramulo Care, and improve brand attitude for all three brands. As for the final goal, it is to emphasise Caramulo and Caramulo Care intent of having a positive impact on the environmental footprint, meaning that a great Communication Plan needs to be carefully designed bearing this in mind.

11.2 - Target Audience Selection and Action Objectives

Caramulo Care: The subcategory of sustainable beauty still water is recent in Portugal, which means that the probability to have bought it in the past is very low. Thus, the majority of the consumers are new category users. Additionally, the primary target audience will further narrow down to mature women with ages between 35 and 60, that care about their physical appearance and about the environment. The action objective is brand trial and repeat purchase, as the campaign aims to attract consumers to try the category through our brand and hope that they continue to buy our brand.

Caramulo: The market share in volume of Caramulo in off-trade is equal to 0.8 (AC Nielsen 2017), which means that when it is given the possibility to choose among the category of still bottled water, most of the consumers buy other brand of still bottled water, but not Caramulo. Therefore, the target audience must be focused in Other Brand Switchers (OBSs) and Favourable Brand Switchers (FBSs), as it is necessary to avoid losing the already existing Caramulo's consumers (FBSs). In terms of psychographic and demographic characteristics, the primary target will be young women that care about the environment. The expected behaviour of the primary target after the campaign is brand trial/ retrial and repeat purchase.

Vitalis: The quantitative research indicates that the biggest potential consumers for the campaign will be OBSs and FBSs, hence the campaign will focus in these consumers (exhibit 45.2)[2]. Additionally, the primary target audience will further narrow down to sports enthusiasts, that are active, energetic and ambitious and seek strength to achieve their goals near their communities. The expected behaviour of the primary target after the campaign is brand trial/ retrial and repeat purchase.

For the three brands the secondary target audience will be influencers, traders and retailers, as they are essential players to reach the final consumers, so they also need to be targeted not on a primary level, but on a secondary level, as they have a strong role in exposing the brand to the primary target audience. Vitalis will also have as a secondary target audience the athlete's community such as the athletes' families, friends and coaches. By targeting retailers and traders, the action objective is to be available in more stores and be more visible. By targeting influencers and the athlete's community (in the case of Vitalis), it is expected that they recommend our brand to the primary target audience and bring visibility and awareness to our brands.

11.3 - Behaviour Sequence Model

In order to further understand when marketing communication influences the brand choices for Caramulo, Caramulo Care and Vitalis a Behaviour Sequence Model (BSM) was built, based on the qualitative research, which indicates that the consumer behaviour is very similar within the category of still water. Therefore, the BSM of Caramulo and Vitalis is the same (exhibit 45.3). Regarding Caramulo Care, the consumer behaviour is slightly different, because the brand will be present not only in on-trade and off-trade but also in pharmacies. Also, the brand appeals not only to the need of

[2] It was assumed that people that consume the brand 1 or 2 times per month correspond to OBSs, people that consume the brand 3 or 4 times per month correspond to FBSs and people that consume the brand 5 or more times correspond to BLs. Finally, people that never consume the brand were consider OBLs.

hydration but also to the need of enhance the physical appearance. Additionally, the target is more specific (women) and influencers play a particularly important role. (exhibit 45.4)

11.4 - Communication Objectives (exhibit 45.5)

Category need: Caramulo Care is placed in a recent subcategory (Beauty still water), meaning that the users will be New Category Users. Therefore, the category need must be sold in order to attract these buyers. Regarding Caramulo and Vitalis, these products are placed in the Still Water category. This category has high purchase frequency (the category fulfils a basic need), therefore the category need can be omitted.

Brand Awareness: During our visit to the on-trade, it was understood that consumers don't ask for a specific brand when going out (HoReCa channel). Therefore, there is no need of brand recall. Still, it is important that, while shopping, consumers will be able to locate and recognize the three brands. In this sense, brand recognition is required for the communication objective (Brand awareness is a universal objective)

Brand Attitude: Since Caramulo Care is a new product, the target has no prior attitude regarding the brand because they are unaware of its existence. Therefore, a positive brand attitude needs to be created. Caramulo brand will be repositioned by appealing to a different motivation - Sustainability orientation. Thus, brand attitude must be modified. Regarding Vitalis, the target audience only has a moderate favourable attitude and there will be needed to increase the brand attitude to achieve a high favourable attitude, so that consumers switch into the brand more often.

Brand Purchase Intention: The three brands should generate brand purchase intention, through the use of promotions offers, aimed at increasing the purchase intention and rush consumers to buy the product right now. Since Monchique is the water that has currently increased the most in market share and since in our interviews, almost half of the respondents said that doctors and nutritionist have influenced their decision, influencers such as nutritionists, pharmaceuticals, athletes, beauty experts, pro-nature (depending on the brand) will also be used to generate purchase intention, by influencing and incentive consumers decision.

<u>Brand Purchase Facilitation</u>: In the case of Vitalis and Caramulo the brand purchase facilitation should be omitted, as it is expected that the consumers already know where to find these products. Regarding Caramulo Care, it is expected that the consumers already know that they can find this product in supermarkets (92% of the respondents). However, it is not that obvious that they can find Caramulo care in Pharmacies. Thereby, purchase facilitation content is required in the communication objectives of Caramulo Care.

11.5 - Positioning Statement for the campaign

To women > 35 years old that want to be the best version of themselves (inside and outside), NCUs [Target Audience] **Caramulo Care** is a differentiated brand of Beauty still water [Frame of reference] **that offers** the benefits of a healthy skin, hair, and nails (problem avoidance) Beautiful skin, hair and nails (social approval) and help more women to be the best version of themselves (Social approval) [POD] **because** of its high levels of silica and its focus on sustainability [Reason to believe].

Advertising should emphasize benefits of silica and best "you" (b->e++) and must mention that silica is present in the human body, but as people get old they lose it and that silica helps regenerate skin cells and enhance the resistance and strength of the hair and nails. The quantity of silica must be omitted, as Caramulo Care is not the brand with more silica in the market.

For sports enthusiasts who are competitive and ambitious and seek strength to achieve their goals near their communities, OBSs and FBSs [Target Audience] **Vitalis** is a differentiated brand for athletes (User is the hero-athletes) [Frame of reference] **that offers** a pure source of energy and motivation to succeed (Social approval) [POD] **because** sponsors athletes and support them achieving their goals [Reason to believe]

Advertising should emphasize athletes thirst for success (B->e+) and must inspire people to achieve their goals and must mention that Vitalis is the official marathon water sponsor and official Paralympics water sponsor.

For responsible people who care about the environment issues, OBSs and FBSs [Target Audience] **Caramulo** is a differentiated brand of Still spring water [Frame of reference] **that offers** an eco-friendlier solution (incomplete satisfaction) and true sustainable water (Social approval) [POD] **because** the packaging is composed of 50% of rPET and the brand has a unique focus on sustainable initiatives.

Advertising should emphasize that the attributes (50% of rPET) benefits (eco-friendlier solution) that lead to positive emotions (feeling of making a difference), a>b >e from the a-b-e model.

11.6 - Creative Strategy

The context drawn in the situation analysis, will be the same context in which the campaign will be carried out. As mentioned before, Brand awareness and Brand attitude are two universal communication objectives. In this sense, the connection between the category need and the brands (Caramulo, Caramulo Care and Vitalis) needs to be established in the target audience's mind through creating Brand awareness and a positive Brand attitude, by persuading the target audience that our brand is the best alternative to satisfy their needs (Percy and Elliot, 2016). Regarding Caramulo Care, the category need must be mentioned or portrayed in the add, since it is a recent category. According to the Rossiter-Percy grid (exhibit 45.6) the purchase of the three brands involve a low degree of purchase risk because the value of these products is very low, making the purchase by impulse easy. The purchase motivation of Caramulo Care and Vitalis is based on a positive motive (social approval). Therefore, the emotional benefit must be portrayed in the advertising, in order to provide the correct emotional response and the target audience should like the ad. Further, the purchase motivation of Caramulo is based on a negative motive of incomplete satisfaction. Therefore, the ad must present the benefit claim in a problem-solution format (e-> B> e+), by using the most extreme key benefits claim possible. Additionally, the ad should have a limited number of claims, in total one or two. To achieve brand recognition the ad of Caramulo, Caramulo Care and Vitalis should provide visual recognition, by showing the packaging and the logo (for at least 2 seconds), like it will appear in-store so it will be easy to find the product on shelves. Additionally, the packaging should be presented in the category context, allowing consumers to associate the brand to the category.

11.7 – Integrated Marketing Communication Strategy

To develop an effective communication plan, a set of communication objectives must be satisfied. The campaign of each brand (Caramulo, Caramulo Care and Vitalis) will feature components around Print, Outdoors, PR, TV (except in the campaign of Vitalis), Online activities, Event sponsorship, Personal Selling, and brand activation (Except in the campaign of Caramulo Care). The main objective behind the combination of these campaign is to have a wide reach of the total population through "mass media" advertising and more targeted components, such as brand activation, sponsorship and some online activities (exhibit 45.7, 45.8 and 45.9). Personal Selling must also be considered, as sales force will be used to reach the HoReCa partners.

11.8 - Media Selection

Bearing in mind the communication objectives of Caramulo, TV, Sponsorship, brand activation and mupis will be part of the primary media for the campaign, since this media will cover all the brand's communication objectives, hence the most effective. Online activities, PR and magazines will be part of the secondary media (exhibit 45.10). Considering Vitalis campaign, the app, events sponsorship, brand activation and PR will be part of the primary media. All the other media, such as magazines, mupis and online activities, will be part of the secondary media (exhibit 45.11). Vitalis caps will be communicated in online activities (website, social media and app), PR, outdoors, banners ads and events sponsorship (B2 run, Colour run, super bock super rock). Regarding Caramulo Care, Tv, sponsorship, PR and Outdoors will also be part of the primary media of the campaigns and Online activities and Magazines will be part of the secondary media. (Exhibit 45.12). Caramulo Care caps will be communicated in online activities (website and social media), PR, outdoors, banner ads and event sponsorship (Moda Lisboa, Fashion night out, Stylista Market).

11.9 - Media budget allocation and campaign scheduling

Regarding the overall marketing budget, it is outlined in exhibit 45.13. After analysing the still water category, the proposed budget split is to use 60% of the total budget for above the line communications and brand activations, 5% on consumer promotions and finally the remaining 35% are spent on below the line communications done through trade promotions (further discussed in the next chapter). The allocation of total budget for communications efforts is further described in exhibit 45.14.

In 2019 the main focus should be the launch of Caramulo (April), where the brand biggest investment will be on TV and mupis. For Vitalis, the biggest investment will be on brand activations, sponsorship and influencers.

In 2020, in the 1st semester the convenience packaging of Vitalis would be launch and an influencers campaign will support the launch, as well as mupis and magazines. Furthermore, on the 2nd semester the convenience packaging of Caramulo would be launch with support from TV, mupis, influencers and Social media.

In 2021, a new brand extension should be launched Caramulo Care (9 of March-women day). Thereby, TV, mupis, ad banners, Caramulo Care website that will be created, Magazines, influencers, Facebook and Instagram page would be extensively used in combination with window displays on pharmacies windows and events sponsorship.

In 2022 the main focus should be the launch of Vitalis Caps and the majority of the budget will be allocated to PR, outdoors and online activities to support this Launch.

Finally, in 2023 the majority of the budget was allocated to Caramulo Care because the brand is going to launch a new line (caps). The majority of the budget will be allocated to online activities, outdoors and PR.

The media scheduling (including the communication and promotion plan) can be seen in exhibit 45.15. The budget allocation can be seen in detail in individual report on communication.

11.9 - Campaign tracking and evaluation

Campaign tracking must be aligned with the communication objectives. Therefore, Key Performance Indicators will be split per Digital Advertising, PR, TV, Sponsorship, Brand activation, Interactive mupi and Customer tracking (done with Marketing Research through before and after measures) metrics, summarized in the following table:

Metrics	KPI	Description	Brands
Digital	Click-through-rate	Measure the ratio of users who click on banner ad of the total users who view the ad	Vitalis, Caramulo, Caramulo Care
	Number of shares on Facebook	Number of content shared and number of likes in the post	Vitalis, Caramulo, Caramulo Care
	Website traffic	number of visits in the website	Vitalis, Caramulo, Caramulo Care
	App download	Number of individuals that download the app	Vitalis
	Number of followers	Followers in Facebook and Instagram page	Vitalis, Caramulo, Caramulo Care
	Conversion Rate in banner ads	% of click that show desire to purchase	Vitalis, Caramulo, Caramulo Care
	Response rate	Related to the Facebook and Instagram contest	Vitalis, Caramulo, Caramulo Care
PR	Clip counting	Measure for amount of time and space dedicated to the brands by bloggers and instagrammers	Vitalis, Caramulo, Caramulo Care
Sponsorship	Number of contacts	Number of people that participate in the games and activities in the sponsorship events. Number of gifts offered	Vitalis, Caramulo, Caramulo Care
Brand Activation	Number of participants	Number of participants in the POS activity and in the running for social cause	Vitalis

	Number of caps	Number of caps collected	Caramulo
Interactive Mupi	Number of participants	Number of individuals that participate on the interactive mupi challenge;	Vitalis
Customer activation	Measure Brand Awareness	Levels of Brand Awareness measured through appropriate research	Vitalis, Caramulo, Caramulo Care
	Brand Equity	Number of loyal customers, brand awareness and perceived quality	Vitalis, Caramulo, Caramulo Care
	Market Share	Growth of market share after the campaign	Vitalis, Caramulo, Caramulo Care
	Brand communication effects and Exposure	Measure for consumer exposure to advertising and relevant effects	Vitalis, Caramulo, Caramulo Care
Tv	GPR's	Reach and frequency	Caramulo and Caramulo care
General	Increase in Sales	Measure of percentage change in Sales due to campaign	Vitalis, Caramulo, Caramulo Care
	Market Share	Growth of market share after the campaign	Vitalis, Caramulo, Caramulo Care
	Increase ROI	Percentage of marketing investment and revenue	Vitalis, Caramulo, Caramulo Care

12 - Promotion (Below the line)

In order to bring a viable promotional strategy for the still water category, the following section of the report will describe a plan for promotional activities for both on- and off-trade channels i.e. modern retail and HoReCa channel, and also specialized channels like pharmacies. For the five years plan of promotion, the total budget and the split for brand can be found in exhibits 45.13 and 45.14, respectively. Regarding the overall budget for promotions, a share of 40% of the overall marketing budget was defined. This total budget is split between trade promotions (35%) and consumer promotions (5%) for the 5 years (exhibit 45.14). The overall schedule with the ATL and BTL promotions can be found in the exhibit 45.15.

12.1 - Pre-Promotional Activities

Before implementing promotional activities to launch the new brands and support them for in- and out-of-home consumption, it is crucial to consider the resources needed to convince trade partners to accept the promotional activity for Caramulo, Caramulo Care and Vitalis brands. The pre-promotional phase aims to schedule and recognize the need for negotiations with all retail partners and pharmacies involved. Since SBG is presenting a new category strategy for the still water segment, it will be required to introduce and explain to all partners the new ideas and strategies.

12.2 - Promotional Campaign

Considering that the overall category will have a new strategy, it will be needed to select appropriate promotional activities for each brand (Caramulo, Caramulo Care and Vitalis). Promotional activities are being organized with regard to the beneficiary, being either the trade customer or the final consumer.

Furthermore, the following promotional activities are designed to relaunch the brand Caramulo, to launch a brand extension of Caramulo, named Caramulo Care, and reinforce the brand Vitalis. The marketing objectives aim to launch the brands Caramulo and Caramulo Care, and reinforce the brand Vitalis, posteriorly launching its new product extension.

For each brand, trade and consumer promotions were identified in order to understand the most suitable promotional activities. The total budget per year allocated to promotions for the three brands is yearly **€900M** (2019), **€700M** (2020), **€1,200M** (2021), **€1,300M** (2022) and **€1,500M** (2023) (exhibit 45.13).

12.3. - Trade Promotions

12.3.1 - Slotting Allowances

In order to try to gain distribution, trade trial promotions are almost invariably used. The main goal is to make the brands available in as many stores as possible. As mentioned in the distribution chapter, the WD target, considering the period plan (2018-2023), for Vitalis is 100% for off-trade (Hypers and Supers) and 25% for on-trade. Regarding Caramulo the target for off-trade channel is 100% for Hypers and 75% for Supers, because consumers are making more purchases in supermarkets, and for the on-trade the target will be 35%. For Caramulo Care, the target for the off-trade channel will be the same as Caramulo (100% for Hypers and 75% for Supers) and for the on-trade will be 10% (exhibit 44.1). In this way, it would be necessary to give incentives to stand out Caramulo, Caramulo Care and Vitalis brands when comparing with the other brands.

As the SBG will try to introduce the new innovation of the brand Caramulo, the brand extension Caramulo Care and aims for a better distribution for the Vitalis brand, the company will be asked to pay extra fee for each brand. This fee compensates the retailer for potential lost sales from other brands. In total, the still water category trade marketing and promotional budget amounts yearly around **€90M** for Caramulo, **€130M** for Caramulo Care and **€50M** for Vitalis. (Exhibit 46.1)

Specially for both Caramulo and Caramulo Care, a new line fee would be necessary in order to introduce this new brand to the retailers.

12.3.2 - Point-of-Sale

In order to increase brand visibility on the point-of-sale, POS communication "is a powerful tool to activate brands, as they reach consumers at this point when they are making the decision about which brand to buy" (Pelsmacker & Bergh, 5th edition, 2013). All brands Caramulo, Caramulo Care and Vitalis should make use of it: displays', end-of-aisle shelves (referred as 'topos') and stoppers.

All of this kind of communications can be part of **cooperative advertising allowances**, in which the SBG and the retailer by agreement contribute to retail advertising. Commonly, the trade promotion is negotiated for a fixed number of days (e.g. weekends during July month) for selected stores or group stores, and cost is dependent on several factors such as number of SKUs in promotion, retailer negotiation and the stores' size. (for further information see section 1.3.2 in the individual report on promotion).

For Caramulo and Vitalis, the point-of-sale (POS) communication objectives should be **remind** and **attract attention** for the new image, respectively. Regarding Caramulo Care, the main goal of POS should be to **create image** and **persuade**.

12.3.3 - Trade Advertising

Trade advertising is usually part of a sales kit. The main goal is to personally sell the product to the retailers. Therefore, it is important to inform the retailers to some extent about the intention of communication above the line for Caramulo, Caramulo Care and Vitalis. (for further details check section 1.3.3 in the individual report on promotion).

Additionally, all brands can be featured in retail journals (for example *Hipersuper or Distribuição Hoje*) with a perspective of increasing retailers' interest in the new brands, Caramulo and Caramulo Care, as well as retailers' leaflets to reach consumers' attention.

Unsurprisingly, this type of promotional communication needs to be paid for and is included in the overall budget (see exhibit 46.1).

12.3.4 - HoReCa and Specialised Channels Promotions

Considering the launch of the new packaging of Caramulo brand and Caramulo Care, the sales team should start introducing it to the clients at least 4 months before and promotional tools need to be designed accordingly to each different group of clients in order to convince trade clients. For trade promotion, we found interesting to develop a new segment D, see (exhibit 46.2). This aims to offer a promotional pricing strategy for those clients who do not purchase the SBG's brands because they think price is not competitive, when comparing with their main competitors (mainly Serra da Estrela, that offers a competitive strategy).

Taking into consideration the characteristics of this channel the bottle sizes that should be launched are: Caramulo 0.33l, 0.50l and 1.5l PET bottles and for Caramulo Care: 0.33cl PET bottles.

Bearing in mind the low-volume with high-margin circumstances for Caramulo and Vitalis brands within HoReCa channel, the strategy for this channel can be described by the following:

Firstly, the current Caramulo should continue to be sold on this channel because by introducing the rebranding of Caramulo (with a sustainability approach), the prices are going to raise and we do not want to lose clients. In this way, both packaging's (PET and rPET) will stay in this channel.

Secondly, and in contrast to the product launch to retailers, slotting allowances in this channel are replaced by price-offs and gift-with-purchases (for further information see section 1.3.4 in the individual report on promotion).

Moreover, new channels like pharmacies, should be used to sell Caramulo Care, which aim to promote the product in places where consumers "care" about themselves. The launching should focus on special promotions for 0.33l PET bottles.

Finally, encouragement to the service staff of restaurants and cafes represents a strategic opportunity to further increase sales. The SBG could use some simple mechanisms to reward waiters, as they represent a strong influence on the final customer decision.

Nevertheless, these are just some recommendations of what the SBG can implement for the HoReCa channel promotional activities.

12.4 - Consumer Promotions

12.4.1 - Bonus Pack

Bonus back promotional strategy should be introduced only one year after the launch of Caramulo brand, because in the beginning the brand should establish its identity in the market. (for further explanation check section 1.4.1 in the individual report on promotion).

The Caramulo brand can offer this bonus pack in order to encourage home consumption (1.5L and out-of-home consumption. The package will offer "buy 1 bottle of 1.5L, get one bottle of 0.33L for free". (Exhibit 46.3)

12.4.2 - Launch Sampling

In order to promote Caramulo Care, which although it is not entering in a new category in the market, the probability that a new consumer tries the brand and stays in the category by purchasing our brand is very low.

The **new product category introduction** strategy defines that the speed of trial is usually the essence for the initial brands launched in the category. According to Rossiter & Percy (1997), "consumers will often settle on the first good brand tried. A parity brand, if tried first could gain the advantage."

12.4.3 - Price-Offs

Price promotions remain a major demand for Portuguese consumers (Euromonitor, 2016 A). In this way, it becomes one of the most relevant promotional tools.

The crucial promotional tool for the success of Vitalis is the offering of a direct discount on Vitalis consumers during pre-specified periods. A possible promotional strategy is included in the promotional budget, in which 30% price-offs were considered for some promotional periods.

Furthermore, this strategy can also be used for the Vitalis and Caramulo convenience packaging's, only one year after the launch, since **price-offs** should not be used to introduce a new product into an established category. (for further information see section 1.4.3 in the individual report on promotion).

12.4.4 - HoReCa and Specialised Channels Promotions

Ultimately, and regarding HoReCa final consumers, the brands Caramulo and Vitalis should introduced a special **menu** which includes a combination of café and bottle of water or the combination of café, bottle of water and cake. The goal of this menu is to offer a lower price menu than the sum of the single units (Exhibit 46.4).

For both brands, this promotional tactic is crucial to increase the connection between the product (bottled water) and the specific consumption occasion (drink a coffee as typical routine in Portugal).

13 - Financials

After developing the marketing plan for the three brands that should compose the SBG Still water portfolio, an attempt to forecast the results of the project in a period of 5 years (until 2023) was made.

13.1 - Main assumptions

To develop a financial forecast, several assumptions were made in what regards market sizes, expected value, expected volume and weight of the channels of the time period of the project, which can be seen in exhibit 47.1.

13.2 - COGS

The production costs, which already include logistic costs and transportation, were based on information provided by the SBG. As such, for the PET bottles, a production cost of 0.11€/L was assumed and for the Glass bottles, a production cost of 0.10€/L was assumed. However, in the case of Caramulo and Caramulo Care, since the packaging contains 50% rPET, the production cost was estimated to increase by 30% in the first year, which is assumed to then decrease by 10% per year in the first three years, to reflect the expected effect of economies of scale. For the 3L packaging launched for both Vitalis and Caramulo, a 6% cost increase was assumed due to the introduction of the water tap. As for the Vitalis and Caramulo Care vitamin caps, these were also assumed to increase the production costs by 20%, which are also believed to decrease by 10% per year until it reaches the definitive production cost. The full estimation of the total COGS per year can be seen in exhibit 47.2.

13.3 - Marketing Costs

The budget for communications and promotion was calculated in the communication section in accordance with the defined marketing and action objectives. However, an estimate for 2018 had to be made, which was assumed to amount to 15% of the net sales of 2017. In the first year of the project, the total marketing investment will be €2,273,195 in 2019, €1,746,336 in 2020, €3,076,335 in 2021, €3,381,745 in 2022 and finally €3,726,932 in 2023. Also, for the development of the product launch of Caramulo, development costs for R&D were considered to take place in 2018 (year 0 of the project) and to amount to 20% of the net sales of 2017. For Caramulo Care, 3L convenience packaging and the vitamin caps, development costs for R&D were assumed to take place in the year prior to each launch and account for 10% of the net sales of the previous year.

13.4 - Results

To have a complete understanding of the results, please see exhibit 47.3 which contains the P&L projected. Considering all assumptions made above and the ones shown in the appendix, sales revenues for each year were calculated to amount to €12M in 2019 and evolve to €21M in 2023. In terms of market share, the expected market share (exhibit 47.4) for the brands can be seen in the table below:

	Market share (Volume)			Market Share (Value)		
	2017	2023	Growth p.p.	2017	2023	Growth p.p.
Vitalis (Off-Trade)	3.40%	3.52%	0.1	5.50%	7.16%	1.66
Vitalis (On-Trade)	6.30%	6.57%	-0.22	8.40%	9.07%	0.67
Vitalis (Specific Channels) *		13.14%	0.04		25.85%	0.75
Caramulo (Off-Trade)	0.80%	0.74%	-0.06	1.10%	2.83%	1.73
Caramulo (On-Trade)	9.80%	6.04%	-3.76	9.40%	9.91%	0.51
Caramulo Care (Off-Trade)		0.05%	0		1.81%	1.21
Caramulo Care (On-Trade)		0.11%	-0.03		0.61%	0.28
Caramulo Care (Specific Channels) *		9.20%	2.26		61.19%	46.68

After the tax deduction of the EBIT, assuming a tax rate of 13%, the discounted cash flows were calculated with an assumed discount rate of 7%, which allowed to reach the calculation of an NPV of €12M which means that the project's revenues are greater than its costs. The ROI is 115%, meaning that the investment gains of the project compare favourably to its costs. This, together with an expected payback period of 1.98 years, leads us to believe that the innovation timeline proposed for Vitalis and Caramulo and the introduction of Caramulo Care is a sound financial investment opportunity.

14 - Control Measures

To be possible to understand if the new strategy for the still water category is performing well, key performance indicators were defined:

1. **% Increase in market share:** after analysing the potential growth for each brand, the potential market share in 5 years. Even though the indicators cannot be related, such as market growth, increase in sales.
2. **% Increase in Sales:** connection between the launch of new innovations and it sales. This can be used as the most accurate KPI, since it measures directly the brand's performance in the current market. Goal: **22% for Caramulo, 25% for Caramulo Care and 20% for Vitalis**
3. **% Increase in Profits:** when compared with the increase in sales, it is possible to measure it. Although, it needs to be compared with the increase in sales.
4. **Customer satisfaction:** it is crucial to measure the attractiveness of the new launches and the brand perception, over reviews and customer relationship management.
5. **Media traffic:** number of shares, comments and visits and new followers and connections in the several social networks.

15 - Contingency plan

In order to act immediately in case of unexpected situations damage or disrupt the new strategies created for Vitalis and Caramulo, a contingency plan was developed for the major relevant possible scenarios (please consult exhibit 48).

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Appendix

Table of Contents

Exhibit 1: Growth Rate in Market Value (€)

Growth Rate in Market Value (€) 2016-2017			
Brands	Total	Off-Trade	On-Trade
Vitalis	-11.48%	-14.08%	-9.80%
Caramulo	-13.80%	-15.86%	-13.61%
Luso	3.40%	-4.70%	7.13%
Penacova	13.74%	4.96%	18.06%
Monchique	34.31%	33.62%	51.46%
MDDs	-2.80%	-1.20%	-10.68%
Total Value	2.46%	1.96%	2.91%

Source: Nielsen

Exhibit 2: Market Value per brand

Market value (€)						
	Total		Off-trade		On-Trade	
Brands	2016	2017	2016	2017	2016	2017
Vitalis	€22,638,349	€20,307,310	€8,731,606	€7,653,799	€13,922,061	€12,679,334
Caramulo	€17,827,700	€15,665,639	€1,773,608	€1,530,760	€16,120,281	€14,188,779
Luso	€58,010,769	€60,051,617	€30,014,897	€28,666,955	€29,016,507	€31,245,502
Penacova	€30,278,792	€35,102,636	€12,960,978	€13,637,678	€17,439,214	€21,283,168
Monchique	€9,338,319	€14,215,117	€8,868,038	€13,359,358	€439,644	€905,667
MDDs	€60,840,563	€59,181,303	€52,389,638	€51,767,511	€8,353,237	€7,547,223
Total Value	€282,979,361	€290,104,428	€136,431,348	€139,159,975	€146,548,013	€150,944,453

Source: Nielsen

Exhibit 3: Market Share in Value

Market share (in value)						
	Total		Off-trade		On-Trade	
Brands	2016	2017	2016	2017	2016	2017
Vitalis	8.00%	7.00%	6.40%	5.50%	9.50%	8.40%
Caramulo	6.30%	5.40%	1.30%	1.10%	11.00%	9.40%
Luso	20.50%	20.70%	22.00%	20.60%	19.80%	20.70%
Penacova	10.70%	12.10%	9.50%	9.80%	11.90%	14.10%
Monchique	3.30%	4.90%	6.50%	9.60%	0.30%	0.60%
MDDs	21.50%	20.40%	38.40%	37.20%	5.70%	5.00%

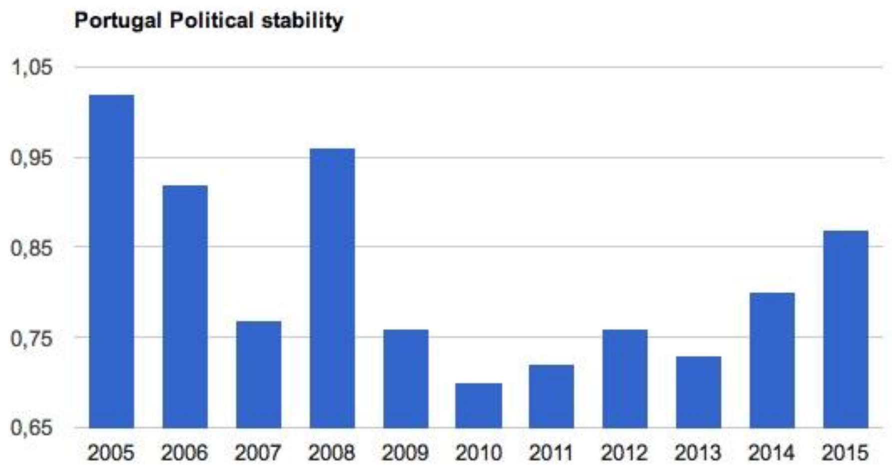
Source: Nielsen

Exhibit 4: Customer Segmentation

Customer Segmentation			
	Everyday Replenishment	Active & Advanced	Lifestyle & Natural
Looking For	Hydration drinks for everyday occasions	An isotonic replenishment after exercise	Quality ingredients & products that have low calories
Demographic	Mixed demographic and all incomes	Casual & regular gym goers. Young & informed	Skewed female, urban and affluent
Channels	Mix of store/forecourt and grocery retailing. Vending and traditional channels in some markets.	C-store/forecourt for single-serve. Gyms and wellness stores	Premium grocery and speciality wellness retailers for major brands.
Drivers	Seeking hydration products as better-for-you refreshment. Flavour and Convenience. Climate-driven	Health and wellness. Hydration and electrolyte replenishment.	Quality Ingredients, simplicity, packaging, positioning key and all-natural hydration.
Products	Functional & flavour water	Sports drinks & Sports nutrition	Plant waters & juice blends

Source: Passport

Exhibit 5: Portugal political stability 2005-2015



Source: TheGlobalEconomy.com, The World Bank

Exhibit 6: Real GDP Growth and Per Capita GDP: 2011-2017

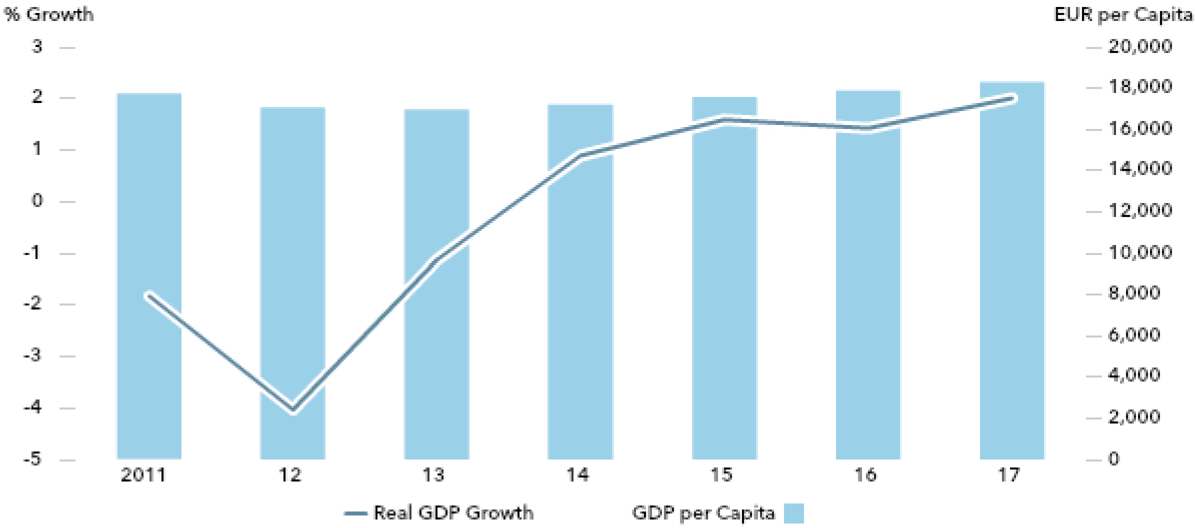


Exhibit 7: Organic Beverages, superfruit juice, RTD tea and Asia Speciality drinks

Organic Beverages

Superfruit Juice

RTD Tea

Asia Speciality Drinks

Exhibit 8: Value and % Value Growth per Segment in Portugal

	Value per Segment (€ Million) - Portugal		
	Off-Trade		
Segment	2015	2016	2017
Carbonated bottled water	23.8	24.9	25.7
Flavoured bottled water	26.6	27.2	27.7
Functional bottled water (FF)	4.6	4.5	4.4
Still bottled water	161.8	169.8	176.1
Total bottled water	**216.8**	**226.4**	**233.9**

Source: Passport

	% Value Growth - Portugal	
	Off-Trade	
Segment	2015-2016	2016-2017
Carbonated bottled water	4.42%	3.11%
Flavoured bottled water	2.21%	1.81%
Functional bottled water (FF)	-2.22%	-2.27%
Still bottled water	4.71%	3.58%
Total bottled water	**4.24%**	**3.21%**

Source: Passport

Exhibit 9: Volume and % Volume Growth per Segment in Portugal

	Volume per Segment (million Litres) - Portugal		
	Off-Trade		
Segment	2015	2016	2017
Carbonated bottled water	18.2	19.1	19.7
Flavoured bottled water	12.9	13.1	13.4
Functional bottled water (FF)	3	2.9	2.8
Still bottled water	813.2	862.7	908.2
Total bottled water	**847.2**	**897.8**	**944.1**

Source: Passport

	% Volume Growth - Portugal	
	Off-Trade	
Segment	2015-2016	2016-2017
Carbonated bottled water	4.71%	3.05%
Flavoured bottled water	1.53%	2.24%
Functional bottled water (FF)	-3.45%	-3.57%
Still bottled water	5.74%	5.01%
Total bottled water	**5.64%**	**4.90%**

Source: Passport

Exhibit 10: Brand Timeline - Vitalis

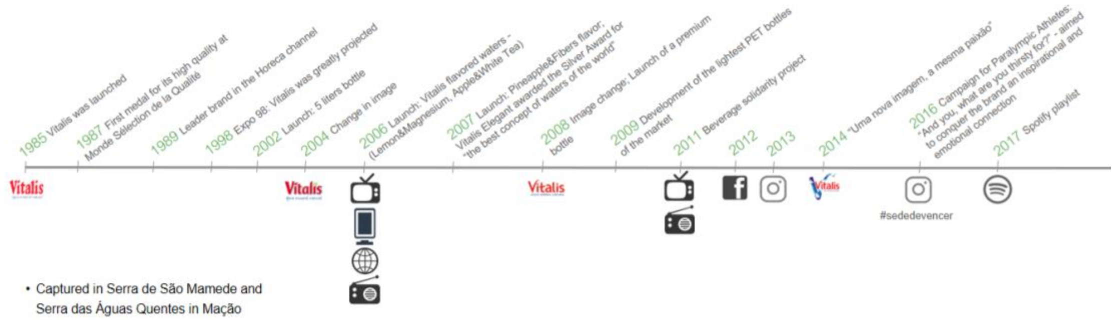


Exhibit 11: Brand Timeline - Caramulo

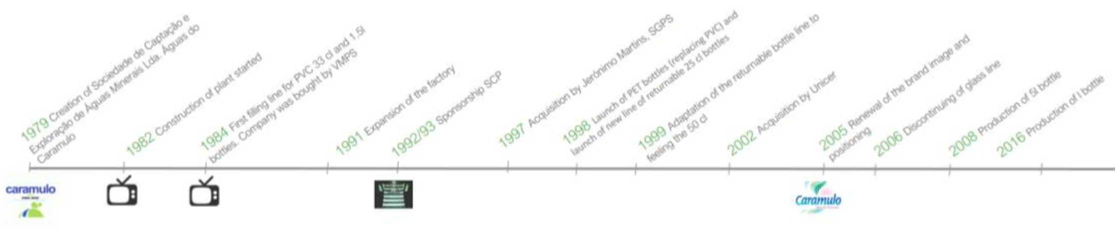


Exhibit 12: Brand Timeline - Luso

Exhibit 13: Type of water and Price segmentation

	Price Segmentation	
	Mineral Water	Spring Water
Mainstream	Luso, Fastio, Vitalis, Monchique, Vimeiro	Estrela
Low Cost	Penacova, Carvalhelhos	Caramulo, Fonte da Fraga, São Cristóvão, Penha, Serrana

Exhibit 14: Innovation Trends Worldwide

Exhibit 14.1 - Healthy and Natural Waters

COUNTRY: USA
BRAND: Vita Coco
PRODUCT: Coconut water

COUNTRY: USA
BRAND: Avitae
PRODUCT: Water with cafeinne

COUNTRY: USA
BRAND: WTRMLN WTR
PRODUCT: Watermelon water

COUNTRY: USA
BRAND: Avitae
PRODUCT: Water with cafeinne

COUNTRY: USA
BRAND: Avitae
PRODUCT: Water with cafeinne

COUNTRY: USA
BRAND: Suja
PRODUCT: Water with probiotics

Exhibit 14.2 - Caps with Vitamins to be added at the moment of consumption

COUNTRY: USA
BRAND: 989
PRODUCT: Functional water

Exhibit 14.3 - Herbal and Traditional waters

COUNTRY: France, Germany, UK, Japan
BRAND: Natural Spring water
PRODUCT: Water with probiotics

COUNTRY: Japan
BRAND: Dakara
PRODUCT: Functional water with natural ingredients

COUNTRY: China
BRAND: JDB
PRODUCT: traditional Chinese herbal

COUNTRY: Indonesia
BRAND: Jamu
PRODUCT: traditional Indonesia herbal

Exhibit 14.4 - Sea Salt water

COUNTRY: China
BRAND: Sea Salt & Lemon
PRODUCT: Water with Sea Salt

Exhibit 14.5 - Anti-ageing water

COUNTRY: Switzerland
BRAND: Cella Nova
PRODUCT: Anti-ageing power drink

Exhibit 14.6 - Environmental & Social Sustainability

COUNTRY: New Zealand
BRAND: Water in a box

Exhibit 14.7 - Premiumisation

COUNTRY: France
BRAND: Evian

COUNTRY: Morocco
BRAND: Aïn Saïss

COUNTRY: United States
BRAND: Fiji Water

COUNTRY: United States
BRAND: Life WTR
PRODUCT: a purified water, which pH is balanced with electrolytes

COUNTRY: Norway
BRAND: VOSS

Exhibit 15: Bottled water retail volume

% Retail Volume (in 2015)	
Companies	Total
Danone	8.8
Nestlé	7.6
The Coca-Cola Company	6.1
Pepsi-Co	3.1

Source: http://www.portal.euromonitor.com/portal/statisticsevolution/index

Exhibit 16: Danone - Brand Portfolio

Danone				
Country	Type of water	Brands	Consumer Segments	Main Insights
US	Natural Mineral Water, Facial Water, Sport Cap, Premium	Evian	Premium, Healthy; Family And kids, Environmental	Bottled water is the most consumed soft drink, due to health concerns about sugar and artificial sweeteners, turning instead to bottled water as a healthy way to stay hydrated. This healthy trend is reflected in the company's portfolio, with focus on Healthy oriented beverages, with focus on the provenances of the water and its purity and naturalness. Also, because of this trend, Flavour waters was the best performing category in 2016 and therefore, company's portfolios include this type of water. More innovative packaging formats are starting to become more prevalent, playing on growing sustainability concerns.
	Natural Spring Water; kids segment; Flavour water and Juice Water; Tea	Volvic	Healthy (Provenance), Family and kids; Sports; Social	
UK	Natural Mineral Water, Premium, Kids, Flavour water, Facial water	Evian (market leader)	Premium, Healthy, Family and kids	The growth of bottled water is to benefit from the rising numbers of consumers seeking healthier and more natural sources of hydration. This healthy trend is reflected in the company's portfolio, with focus on Healthy oriented beverages and provenance. There is a trend in evidence towards higher-priced bottled water variants, with products in glass bottles proving particularly popular. This can explain why all company portfolio possess a glass bottle and why Evian is the market Lieder. Volvic and Evian are benefit from widespread distribution and strong reputations for high quality.
	Natural Spring Water, Flavour water, Kids, Sport tap, juice water, Functional water	Volvic (2nd player)	Healthy (Provenance), Family and kids; Sports	
	Sparkling water< Sprakling flavour water	Badoit	Fun; Connecting	
France	Natural Mineral Water; Flavour Water; Facial Spray	Evian	Premium; healthy, Family and healthy; Sports	Bottled water continued to perform well, largely due to increasing consumer health awareness. This healthy trend is reflected in the company's portfolio, with focus on Healthy oriented beverages and communication focus on provenance, purity, naturalness. The range of small formats has risen significantly because its more convenience to consumers, who are shifting from home to on-the-go consumption. This trend can be seen on the company's portfolio and in their innovation in small packaging's. In addition, smaller bottles are particularly efficient at targeting children, who are more prone to dehydration than adults. This opportunity in targeting kids can be seen in the brands that have a segment focus on kids.
	Natural Spring Water; Petite segment; Flavour water and Juice Water; Tea	Volvic	Healthy; Family and Kids	
	Sparkling water< Sparkling flavour water	Taillefine	Healthy (no calories)	

Spain	Mineral Water, Premium Water, Kids Water, Tea, Flavour water and juiced water	Font Vella	Family, Healthy, Sports	Higher added value and on-the-go products was a key indicator of the upward movement of the category. Company's wide product portfolio, with it offering the broadest range of references and formats, including products for children and babies as well as water in glass bottles in both channels. There is an increasing consumer demand for healthier soft drink and therefore water and flavoured bottled water is growing. This healthy trend is reflected in the company's portfolio, with focus on Healthy oriented beverages and in the Family & kids segment, by communicating its purity and naturalness. The category is domain by private labels
	Natural mineral water, Kids,	Lanjarón	Healthy (provenance) and Environmental sustainability	
	Natural Mineral Water; Flavour Water; Facial Spray	Evian	Premium; healthy	
China	Sports water and Functional water	Mizone	Health; Sports	With the improvement of living standards, people in China pay more attention to health. This is leading to a growing number of people caring about waters sources and ingredients in bottled water. Therefore, Companies portfolio are focused on Healthy oriented beverages
	Natural Mineral water	Health - Yili	Health (Provenance); Tradition (heritage)	
	Natural mineral Water, Premium, flavour water, Facial Water	Evian	Health (provenance); Premium; Family and kids; Sports	
Argentina	Mineral Water; juiced water (Lemonade); Flavour water; Flavour water no calories	Villa del sur;	Family; Healthy; Social Sustainability	Bottled water is growing due to the health and wellness trend. This healthy trend is reflected in the company's portfolio, with focus on Healthy oriented beverages and in segments with 0 calories and 0 sugar. Company's portfolio is introducing larger family packs in order to persuade consumers in the economic crisis to keep consuming but at a lower price per litre.
	Mineral Water; Premium; Sport Packaging; Sparkling mineral water; Flavour water	Villavicencia	Environmental Sustainability; Premium segment; Tradition (100 Years of history)	
	Sparkling flavour water	We by ser	Healthy & Authenticity	

Indonesia	Mineral water and Premium	Acqua	Nature, Tradition, Social Sustainability	Goodness is never waste, just like water;
Mexico	Natural Mineral water, Flavour water	Bonafont	Environmental Sustainability; Family	If we are together is easier to drink water -"Juntos es más fácil tomar água"

Exhibit 17: Nestlé - Brand Portfolio

Nestlé				
Country	Type of water	Brands	Consumer Segments	Main Insights
US	Natural Spring Water	Acqua Panna	Family; Premium	Due to health concerns, consumers turned to bottled water to avoid sugar and artificial sweeteners, which in 2016 led bottled waters to overtook carbonates in sales volumes and become the most consumed soft drink in the country. Therefore, these trends are reflected in Nestlé's Portfolio, mainly through the Ice Teas category, which offer natural ingredients and stevia as an alternative for sugar. Furthermore, brands are focused on the health segment, most of them communicating provenance - their natural source.
	Natural Spring Water; Sparkling sugar-free fruit flavours (Lemon, Lime, Mandarin Orange)	Poland Spring	Convenience; Health; Sports	
	Purified (filtered) Water	Nestlé Pure Life	Family & Kids	
	Natural Spring Water	(1)Arrowhead (with flavours, no sugar or calories); (2)Deer park (with sparkling flavours); (3)Ice Mountain (with sparkling flavours); (4)Ozarka (with sparkling flavours); (5)Zephyrhills (with sparkling	(1)Sports, Convenience, Health; (2)Convenience; (3)No target; (4)No target, (5)Convenience	

		flavours)		
	Sparkling Water	(1)Perrier (also with flavours, zero calories); (2)S.Pellegrino (also available with fruit flavors)	(1)Environmental sustainability, Premium; (2)Premium	
	Iced Teas	(1)Nestea; (2)Sweet Leaf; (3)Tradewinds	(1)Premium, Health; (2)Health; (3)Health	
UK	Purified (filtered) Water	Nestlé Pure Life	Family & Kids; Social Sustainability; Environmental sustainability	Nestlé Pure Life is a purified filtered water, that in consumers' mind is almost indistinguishable from tap water, since the tap water is of good quality and safe to drink. However, the brand associates itself with multiple social and environmental initiatives to actively engage families and build a community to reduce the amount of materials people use.
France	Purified (filtered) Water	Nestlé Pure Life	Family & Kids	In France, Nestlé has a variety of bottled waters focus on a diversified range of segments. As there and increasing consumer health awareness, Nestlé offers Nestlé Pure Life, Vittel, Contrex and Hépar to its

	Natural mineral water	(1)Vittel; (2)Contrex; (3)Hépar	(1)Sports, Health; (2)Health; (3)Health	customers, and sells it as having particular characteristics, such as being rich in calcium and magnesium which facilitates intestinal transit. Perrier also focuses of health with a zero calories flavoured water, and at the same time it focuses on being environmentally sustainable with 100% recycled PET.
	Sparkling Water	(1)Perrier (also with flavours, zero calories); (2)S.Pellegrino (also available with fruit flavours)	(1)Environmental sustainability, Premium; (2)Premium	
Spain	Spring Water	Aquarel	Family & Kids	Company's wide product portfolio, with it offering the broadest range of references and formats, including products for families with children and water in glass bottles in both on and off trade channels. There is an increasing consumer demand for healthier soft drink and therefore water and flavoured bottled water is growing (more in the premium segment). This healthy trend is reflected in the company's portfolio with brands communicating the source, and sponsoring sports events.
	Natural mineral water	(1)Viladrau; (2)Vittel	(1)Sports; (2)Sports, Health	
	Natural mineral water	Acqua Panna	Family; Premium	
	Sparkling Water	(1)Perrier (also with flavours, zero calories); (2)S.Pellegrino (also available with fruit flavours)	(1)Environmental sustainability, Premium; (2)Premium	

China	Purified (filtered) Water	Nestlé Pure Life	Family & Kids; Social Sustainability; Health	With the improvement of living standards, people in China pay more attention to health. Furthermore, tap water is not proper for consumption, so Nestlé decided to target children, who are more prone to dehydration than adults. Marketing strategy is turning the consumer to perceive water as a safer alternative, and Nestlé Pure Life is using smaller bottles with pictures, which are particularly efficient at targeting children.
Argentina	Purified (filtered) Water	Nestlé Pureza Vital	Family & Kids; Health	Bottled water is growing due to the health and wellness trend. This healthy trend is reflected in the company's portfolio, with focus on Healthy oriented beverages which help the body to get rid of its impurities and to stay fit.
	Natural Spring Water	Eco de los Andes	Environmental sustainability	
	Natural mineral water	Glaciar	Health	
	Water with fruit flavours (Apple, Green Apple, Lemonade, Grapefruit, Orange-Peach, Pear)	Awafrut	Health	
Indonesia	Purified (filtered) Water	Nestlé Pure Life	Family & Kids; Health	Drink Better, Live Better
Mexico	Purified (filtered) Water	Nestlé Pureza Vital	Family & Kids	Nestlé's portfolio has a wide range of flavoured waters, and plays in different segments always highlights healthy benefits (eg. symbolizes elegance; Contains calcium, magnesium and is free of sodium; Less sugar; enriched with minerals)
	Flavoured Waters (300 ml - Grape, orange, mango, lemon, apple)	Nestlé Aguitas	kids	

	Spring Water	Sta. María	Health	
	Purified (filtered) Water	Gerber	Babies; Health	
	(1)Perrier (also with flavours, zero calories); (2)S.Pellegrino (also available with fruit flavours)	(1)Perrier (also with flavours, zero calories); (2)S.Pellegrino (also available with fruit flavours)	(1)Perrier (also with flavours, zero calories); (2)S.Pellegrino (also available with fruit flavours)	

Exhibit 18: The Coca-Cola Company - Brand Portfolio

The Coca-Cola Company				
Country	Type of water	Brands	Consumer Segment	Main Insights
US	Filtered Water	Dasani	Environmental Sustainability (bottle)	In 2016, bottled water finally overtook carbonates in sales volumes to become the most consumed soft drink in the country, due to health concerns about sugar and artificial sweeteners, turning to bottled water as a healthy way to stay hydrated. Public health concerns about sugar remain high, and this trend is reflected in the company's portfolio, with a focus on healthy oriented beverages. The biggest player is Dasani, a filtered water that also promotes its ecological packaging, covering the growing concerns of consumers about the environment in the country. Within the healthy trend, there are also some brands targeting Family & Kids with enhanced beverages for the whole family.
	Functional (Enhanced) water (vitamins...)	Glacéau Vitamin Water; Tum-e Yummies; Glacéau Smartwater	Healthy; Healthy (no calories); Sports; Family & Kids; Premium (vapour distilled)	
	Flavoured water - Sparkling	Glacéau Fruitwater; Dasani	Healthy (no calories); Healthy (no artificial flavours)	
	Flavoured water - Still	Dasani; Tum-e Yummies	Healthy; Family & Kids	
	Flavour Drops	Dasani Drops	Healthy (natural fruit; no calories)	
UK	Spring Water - Still	Schweppes Abbey Well	Tradition	Unlike in other countries, tap water is of good quality and safe

	Functional (Enhanced) water (vitamins,...)	Glacéau Vitamin Water; Glacéau Vitamin Water Zero; Glacéau Smartwater	Healthy; Healthy (no calories); Sports	to drink, as such, the company had a serious retaliation from consumers when it introduced the Dasani, a filtered water in the UK, as consumers did not accept being sold "tap water". As such, it withdrew the brand from the market and bought the Abbey Well British spring water brand, which used to sponsor the Olympic Games. Growth of electrolyte drinks demanded a focus on Healthy and Sports, and the Smartwater brand has registered a tremendous growth in the UK market, with an off-trade volume growth of 114% in 2016, achieving only after 4 years 60% of value sales in functional bottle water.
France				
Spain	Mineral water	Aquabona; Aquabona Moonlight	Authenticity (Provenance); Family & Kids; Convenience; Environmental Sustainability (production chain); Premium	Aquabona is Family & Kids oriented, and it can take advantage of the growth in kids packaging in the later years. It also communicates its efforts in Environmental Sustainability, tackling one of the main threats to the development of bottled water is the increasing consumer concerns about sustainability and the environment. Taking advantage of the bar culture and economic recovery, as well as increase in tourism, Aquabona offers Aquabona Moonlight, a premium bottle exclusive for nightclubs.
	Sparkling water - no flavour	Aquabona	Authenticity (Provenance); Family & Kids; Convenience; Environmental Sustainability (production chain);	
China	Spring Water - Still	Ice Dew; Ice Dew Chen Yue	Social Sustainability; Sports (Olympic games sponsor)	In a market where local players have the biggest share and better access to water springs, the company introduced Ice Dew Chen Yue (Pure Joy), with a Social Sustainability focus, hoping to tap into the millennial market, that is not only more health-conscious but also socially and environmentally conscious. It donates clean water to school children in remote villages. As in
	Spring Water - Still	Valser	Premium; Authenticity (Provenance)	
	Functional (Enhanced) water (vitamins,...)	Aquarius	Healthy	

				China, good water sourcing is hard to find, this year, it also introduced Valser, a premium spring water from the Alps.
Argentina	Mineral water	Bonaqua (=Ciel)	Environmental Sustainability; Authenticity (Provenance)	The health and wellness trend is on the rise, and as such the company launched a new range of Aquarius - Aquarius Delight sweetened with stevia to tackle this market, also offering Vitamin Water. Also, a growing consumer trend is environmental sustainability which explains the efforts of Bonaqua to express their sustainable bottle.
	Sparkling water - no flavour	Bonaqua	Environmental Sustainability; Authenticity (Provenance)	
	Juiced Water	Aquarius Delight	Healthy (with stevia)	
	Functional (Enhanced) water (vitamins,...)	Glacéau Vitamin Water	Healthy (no calories)	
Indonesia	Mineral water	Ades	Environmental Sustainability	AdeS targets the youth (By 2020, expected to reach 50.5 million) with a power to implement change, open to new opportunity, and ready to take it into real action. Hopefully, they will also be more critical in buying the products they want to consume, tackling the environmental sustainability trend.
Mexico	Purified (Filtered) Water	Ciel	Healthy; Environmental Sustainability; Convenience	Ciel Exprim was relaunched as a healthier beverage, in pair with other brands from leading companies. It also focuses on Convenience, offering a delivery service at home (cocacola-entuhogar.com).
	Juiced Water	Ciel Mini	Family & Kids; Healthy	
	Flavoured Water - Still	Ciel Exprim	Healthy	
	Flavoured Water - Sparkling	Ciel Mineralizada	Healthy	
	Functional (Enhanced) water (vitamins,...)	Glacéau Vitamin Water	Healthy	

Exhibit 19: Pepsi-Co - Brand Portfolio

Pepsi-Co				
Country	Type of water	Brands	Consumer Segment	Main Insights
US	Purified (Filtered) Water	Aquafina; Life WTR; Propel	Healthy, Premium, Sports	In 2016, bottled water finally overtook carbonates in sales volumes to become the most consumed soft drink in the country, due to health concerns about sugar and artificial sweeteners, turning to bottled water as a healthy way to stay hydrated. Public health concerns about sugar remain high. The company's portfolio reflects this with a focus on Healthy oriented beverages, as well a brand focused on sports, Propel. Aquafina, is the filtered water that competes with Dasani.
	Functional (Enhanced) water (vitamins,...)	OceanSpray Pact; SoBe Water	Healthy	
	Flavoured Water - Sparkling	Izze; Aquafina	Environmental Sustainability; Healthy (no calories)	
	Flavoured Water - Still	Aquafina; Propel	Healthy, Sports	
UK	Purified (Filtered) Water	Aquafina	Healthy	Pepsi has a non-representative share of the market in the UK, however it may be trying to follow the growth trend in functional beverages with the introduction of V Water and the focus on Healthy claims.
	Functional (Enhanced) water (vitamins,...)	V Water	Healthy	
France				
Spain	Purified (Filtered) Water	Aquafina	Tradition (Trust)	The brand share is not significant in the market, however it positions itself on Tradition (trust) to gain consumers in a market dominated by private labels and local brands.
China				
Argentina	Flavoured Water - Sparkling	H2OH!	Healthy (no calories)	Younger consumers prefer to drink carbonates or bottle water and are moving away from Soda siphons, as such H2OH! positions itself as a Healthy sparkling water alternative.

Indonesia				
Mexico	Purified (Filtered) Water	Epura	Healthy, Environmental Sustainability, Tradition (Trust)	Following the relaunch of brands of other leading companies, Pepsi relaunched the water brand as Epura, a Healthy choice, however as it operates for a long time in the market it has a positioning towards Family & Kids by leveraging Tradition.
	Juiced Water - Still	Epurita; Epura Essentials	Family & Kids	
	Juiced Water - Sparkling	Epura Minerale; H2OH!	Family & Kids; Healthy (no calories)	
	Flavoured Water - Still	Be-Light	Healthy (no calories)	

Exhibit 20: Potential and risk variables and weight distribution

	Criteria for Segment Analysis	
	Variables	Weight
Risk	Investment Intensity	30%
	Level of Promotion	15%
	Complexity	20%
	Product Substitutes	20%
	Competitive Reaction	15%
Potential	Concentration	15%
	Market Size	30%
	Trend	25%
	Role of Consumer Involvement: Emotion	10%
	Innovation	20%

The variables above were used to assess the attractiveness of each segment, as exemplified below for the Family & Kids segment:

RISK

FAMILY & KIDS

Investment Intensity	3	The smaller bottle that Unicer produces at the moment is a 33cl, which means a new format might need to be introduced, targeting smaller children. Investment in different packaging could represent around 250.000-500.000€.
Level of Promotion	5	Luso, the main competitor, had in 2017 YTD around 85% of SOV real in the category, meaning that a new player in this segment would need to invest highly on promotions to fight off the Luso brand efforts. Also, this year, the brand launched "Luso Kids", with 20cl bottles, targeting children. Also, several private labels already offer packaging targeting kids, with an appealing label and smaller bottle. Aquarell e Fontvella.
Complexity	2	Unicer is already present in the channels of the segment: on and off trade. Extra SKUs will need to be added, new package design (new labeling, new bottle). Also, merchandising will be necessary during the time of the launch (PoS material).
Product Substitutes	5	Children obesity is on the rise and parents are increasingly concern about their kids weight. The healthy lifestyle trend therefore extends also to children and parents are searching for better options for their children both in food and drinks.There are several other alternatives of beverages targeting kids and families such as Compal Essencial, Mimosa Bem Especial, Um Bongo, etc.
Competitive Reaction	5	Competitive reaction can be expected to be strong, especially by local players such as Luso, that just entered the kids market segment with a new product "Luso Kids" but also in oher brands such as Fastio.

POTENCIAL

FAMILY & KIDS

Concentration	2	The main players in this market are Luso, Aquarel and FontVella. However, somo private labels also have smaller packaging targeting children. There are also several brands that also have special packaging targeting households with more people, such as Luso and Fastio.
Market Size	4	Revenue in the "Baby Food" segment amounts to €53.5M in 2017. The market is expected to grow annually by -10 % (CAGR 2017-2021). In the Portuguese still water market, there are two brands clearly focusing on Family & Kids with a representative % of value: Luso and Fastio. Together they have a %Market value of still water = 20.7% + 6.5%= 27.2%
Trend	4	Children obesity is on the rise and parents are increasingly concern about their kids weight. The healthy lifestyle trend therefore extends also the children and parents are searching for better options for their children both in food and drinks. However, in Portugal, by 2017, the median age was 43.9 and from 2016-2030, there is an expected growth of people age 65 and up by 24%. This is expected to lead to a decrease in demand for products designed to meet the needs of babies and children. However, families are changing as young people are leaving their parents house later than years ago (75.4% of Portuguese aged 20 to 29 years-old were living with their parents in 2015, up from 62% in 2011).
Role of Consumer Involvement Emotion	3	The growth in the number of babies in the country and parents' growing awareness and concerns on dermatological problems boosted demand for medicated baby and child-specific products, with current value sales recording a 1% increase in 2016. Also, parents are watching over their kids weight as recent data from 2016 indicated 37% of boys and 25% of girls age 11 were overweight and 39% of children age 15 and up were obese. This problem was already evident back in 2014, where 40.5% of boys and 35.5% of girls age 3 to 8 were overweight, which led to the government's introduction of a tax in carbonated beverages.
Innovation	3	With the rise in awareness of child obesity and growing concerns about dermatological problems, a healthy trend within the kids segment might unlock potential innovations in this segment.

Exhibit 21: Category attractiveness matrix - First Version

After analysing all the segments according to the criteria seen in exhibit 12, each segment was scored and inserted in the category attractiveness matrix below:

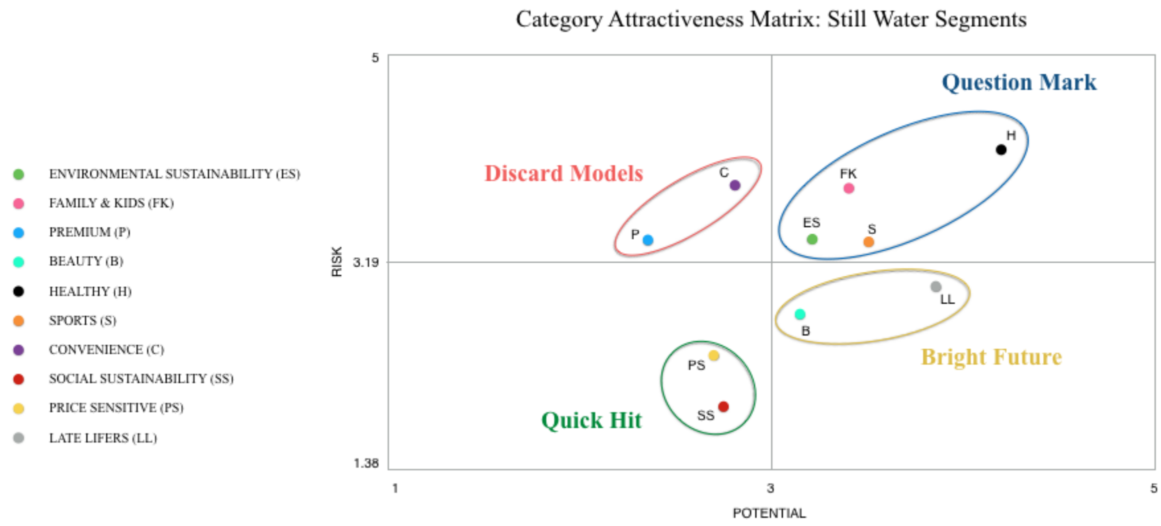


Exhibit 22: Category attractiveness matrix - Second Version

The revised category attractiveness matrix where some segments were merged together can be consulted below:

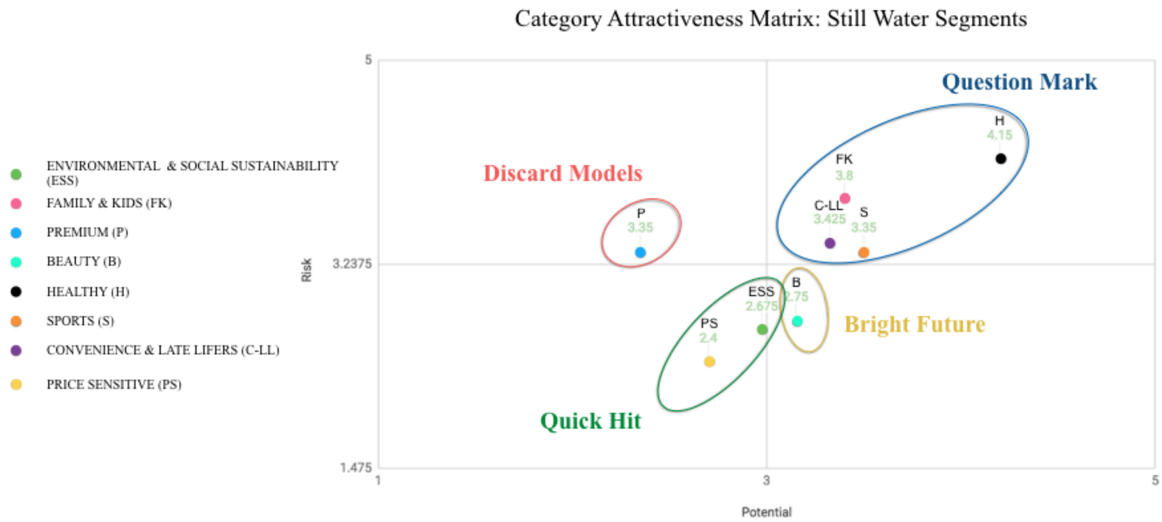


Exhibit 23: Key takeaways from production factory trips

Quality: The company puts a great emphasis on obtaining high quality products and bets on high quality production techniques, continuously seeking to obtain quality and safety certifications in order to meet the demands of the high standards of retailers and consumers.

Efficiency: All the factories use the six guidelines of the Lean-TPM methodology.

Contracts: Production contracts differ according to specific retailers but are generally made on a temporary basis, meaning a greater instability on the amount of volume explored each year.

People oriented: The company invests highly on people training and their safety, having implemented a safety program USafe.

Warehouses: The factories have warehouses with different storage capacities which means that the finished product either goes directly to the retailers or is stored first.

Production capacity: There is still some available production capacity that can be further explore.

Exhibit 24: Key takeaways from the Off-Trade and On-Trade channels

On-Trade: In the on-trade channel, Luso has the most significant weighted distribution (WD) share, with 42.8% in the still water - unflavoured and 12.8% with Luso fruta. SBG brands have a bigger distribution gap, particularly Vitalis that only has 19,7% WD in still water-unflavored and 2,8 % WD with Vitalis Sabores. Caramulo has a stronger distribution, with 30% WD, in comparison with Vitalis.

The key takeaways that characterise the on-trade market are:

"Beer-driven" clients: the client negotiation is made with beer (Super Bock) and then, depending on the price the client is able to pay, the water brand is negotiated. Because the final consumer does not demand a specific water brand, clients are less brand loyal.

Promotions: It is common for the sales team to apply discounts or monthly promotions to the products' portfolio, according to the client's segmentation. Some clients have fixed discounts and cannot be offered monthly promotions.

Clients segmentation: The clients' segmentation is done through the volume of sales and their potential, using a classification from C to A+, which is re-evaluated on a semester basis, and affect both the frequency of visits and the maximum discounts applicable.

Price vs quality: In general, there are two types of clients when it comes to purchasing water. The first one, prioritises price over quality, choosing brands that are less expensive or that can be purchase in cash-and-carries at a lower price. The second type, prioritises quality over price, preferring a premium packaging.

Reward system: The sales team commissions are based on litres sold according to the monthly objectives of different products that are organised in distinct families. There is also a commission based on the percentage of clients who are given the monthly promotions.

People Driven team: The key to success is correlated to a close relationship with the clients, managing carefully their needs and creating a sense of trust.

Investment on marketing point-of-purchase: In some cases, the sales teams distribute marketing material within the stores, in return of visibility and to retain clients, building brand loyalty. Some examples are sponsored terraces, freezers, glasses, wall pictures, and even leaflets and posters.

Off-Trade: In the off-trade channel, the main still bottled water player is Luso, being widely distributed in all hypers, big and small supermarkets, both the still and flavoured varieties. As for the Super Bock Group brands, Caramulo covers mainly bigger surfaces, with 91% WD and has a significant distribution gap on supermarkets, with only 30% WD. On the other hand, Vitalis has 100% WD in both hyper and super formats, even though the flavoured range is mostly present in bigger stores, covering only 16% WD of supermarkets.

The key takeaways that characterise the off-trade market are:

Customer needs: the bottled water category is organised by customer needs in various sites visited, divided by sizes - big packaging (>=1.5L) and small packaging (<1.5L) - and type of water - still and sparkling; flavoured and unflavoured.

Promotions: The category is characterised by heavy retailer discounts as consumers are price driven.

Claims: Brands use different claims to drive purchase, namely highlighting new formats and suitability for babies.

Hot Spots: The biggest bottled water brands are mainly placed in the middle of the category aisle.

Carry: Easiness to carry, both related to packaging and placement in store, influence purchasing decision.

Exhibit 25: Qualitative Research

Exhibit 25.1 - Sample (30 respondents)

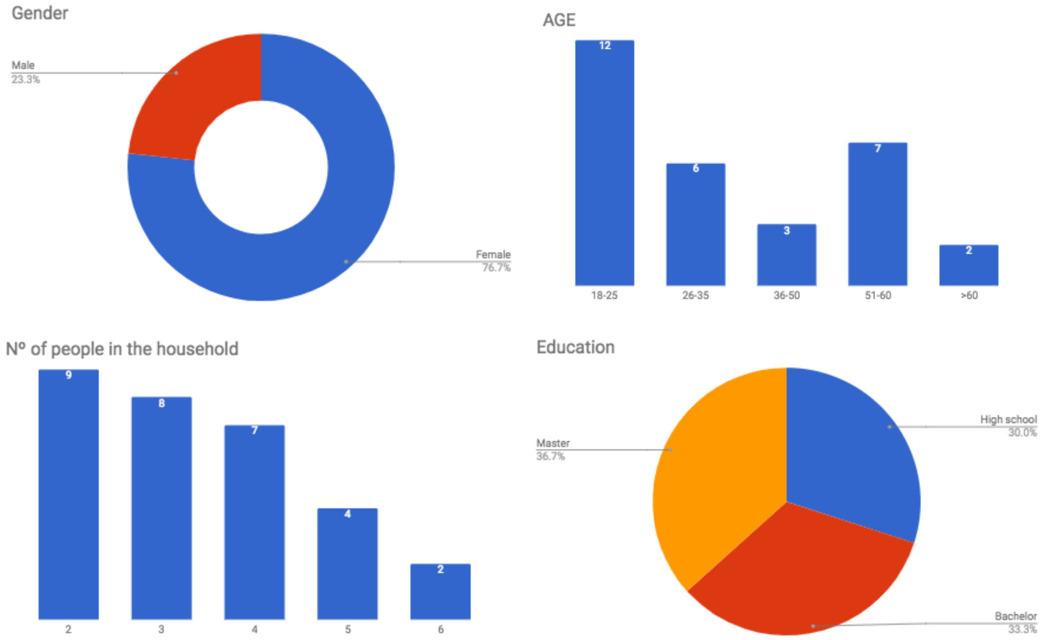


Exhibit 25.2 - Interview Guide

PRE-RECRUITING QUESTIONNAIRE

Q0. Vive em Portugal há pelo menos 5 anos?

•If YES is selected: continue to Q1

•If NO is selected: close

Q1. Normalmente consome água engarrafada?

•If YES is selected: continue to Q2

•If NO is not selected: close

Q2. É responsável por pelo menos 50% das compras do seu agregado familiar?

•If YES is selected: continue to interview

•If NO: close

WARM-UP

Bom dia / tarde / noite. O meu nome é __________ e atualmente estou a elaborar a tese de Mestrado em Gestão na Nova School of Business and Economics. Para a elaboração da tese, estamos a fazer um estudo relacionado com consumo de águas, principalmente águas sem gás no mercado português.

Para este fim, gostaria de entrevistá-lo(a) por aproximadamente 45 a 60 minutos. Isto implica uma entrevista em profundidade, onde começarei por fazer uma pergunta ampla à qual está livre para dizer tudo o que lhe vier à cabeça sobre o assunto. Não há respostas certas ou erradas – a essa ou outras perguntas que possam surgir. Para poder analisar as nossas entrevistas mais tarde, gostaria de gravar a nossa conversa – pode ser? Tudo o que falarmos permanecerá anónimo.

BRAND AWARENESS (RECALL)

Diga-me por favor as marcas de água engarrafada de que se lembra:

1st (top of mind) ____________________
2nd ________________________________
3rd ________________________________
4th ________________________________
5th ________________________________

In-depth Interview

"Pode falar-me da última vez que consumiu água natural engarrafada?"

TOPICS TO EXPLORE

1. BUYING DRIVERS

- ➔ Preço
- ➔ Promoções
- ➔ Embalagem
- ➔ Recomendação de outros (amigos, nutricionistas, médicos,…)
- ➔ Sabor
- ➔ Marcas compradas para consumo doméstico
- ➔ Marcas consumidas
- ➔ Composição da água (pH, água de nascente, água mineral)
- ➔ Campanhas Publicitárias

2. OCASIÕES

- ➔ Ocasiões para beber em casa
- ➔ Ocasiões para beber fora de casa (“Se tivesse a celebrar algo, beberia água?”)

3. USO

- ➔ Frequência
- ➔ Volume comprado
- ➔ Consumo próprio/agregado
- ➔ Canal de compra (se perguntam pela marca nos cafés, restaurantes, etc ou se pedem apenas uma “água”)
- ➔ Modo de consumo

4. IMAGEM DAS MARCAS DE ÁGUA

- ➔ Notoriedade das marcas de água
- ➔ Imagem/Perceção das marcas de água reconhecidas
- ➔ Associações à marca (desporto, família, origem,...)

5. PERCEÇÃO DE CATEGORIAS

- ➔ Águas funcionais
- ➔ Águas com sabores
- ➔ Águas de plantas (água de coco,...)
- ➔ Bebidas desportivas
- ➔ “Quando pensa em água o que que lhe vem a cabeça”

5. NOTÍCIAS E CONSUMO DE MEDIA

- ➔ Importância dos comentários e críticas sobre a água
- ➔ Fonte de opiniões e informações sobre águas engarrafadas
- ➔ Tempo passado em social media
- ➔ Campanhas de águas de que se lembra

BRAND AWARENESS (RECOGNITION)

Marque nesta folha [MOSTRAR LIST 1] as marcas que reconhece de ter visto ou ouvido falar, e as marcas que consumiu nos últimos meses.

DIRECT QUESTIONS

Em média, quantos litros de água costuma beber por dia?

O que pensa acerca da Água Caramulo? Que associações lhe transmite essa água?

O que pensa acerca da Água Vitalis? Que sensações lhe transmite essa água?

O que pensa acerca da Água Luso? Que sensações lhe transmite essa água?

(Apenas se não for referido anteriormente) O que pensa acerca do rótulo da Água Vitalis? E da Água Caramulo? E da água Luso?

(Apenas se não for referido anteriormente) O que pensa acerca do design da garrafa da Água Vitalis? E da Água Caramulo? E da água Luso?

Conhece as águas com sabores água Vitalis? Já provou as águas? (Maçã com chá branco, Limão com magnésio, Ananás com Fibras)

Conhece as águas com sabores da água Luso? Já provou as águas?

Hoje em dia as empresas promovem cada vez mais a redução do impacto ambiental e a sustentabilidade nos seus produtos. Considera que é um fator decisivo para si no momento de compra de produtos?

PROJECTIVE TECHNIQUE

➔ Imagine que Vitalis/Caramulo/Luso é uma pessoa. Que tipo de pessoa seria? De que nacionalidade seria? Que idade teria? Que traços de personalidade teria? Que tipo de roupas usaria? Que tipo de emprego teria? Que tipo de atividades faria no seu tempo livre? O que mais referiria acerca desta pessoa?

➔ Imagine que iria a um evento da marca Vitalis/Caramulo/Luso. Que tipo de evento seria? Onde seria? A que hora do dia seria? Por quem seria frequentado? Como seria o espaço? Que tipo de música estaria a tocar? Que tipo de atividades realizaram? O que mais referiria acerca deste evento?

WRAP UP

Para podermos caracterizar a nossa amostra posteriormente, peço apenas que indique:

Idade: ☐ 18 - 25 ☐ 26-35 ☐ 36-50 ☐ 51-60 ☐ 60 +

[DO NOT ASK – JUST REGISTER] Sexo:___________

Nº de pessoas do agregado familiar: ___________

Education | Educação [SHOW LIST]

☐ Não sabe ler nem escrever/Analfabeto

☐ Primária incompleta / Sabe ler/escrever sem ter completado a primária

☐ Primária Completa

☐ Ciclo Preparatório (completo)

☐ 9º Ano unificado ou antigo 5º ano dos liceus (completo)

☐ 11º / 12º unificados ou antigo 7º ano dos liceus (completo)

☐ Curso profissional / artístico

☐ Curso médio / frequência universitária / bacharelato

☐ Licenciatura em Enfermagem, Serviço Social, Educador(a) de Infância, Ensino Primário, Turismo, Secretariado, Contabilidade e Documentação

☐ Restantes Licenciaturas

☐ Mestrados/Pós Graduações

☐ Doutoramento

Occupation | Ocupação [SHOW LIST]

☐ GO1 – Quadros Médios e Superiores

☐ GO2 – Técnicos Especializados e Pequenos

☐ GO3 – Empregados dos Serviços / Comércio / Administrativos

☐ GO4 – Trabalhadores Qualificados / Especializados

☐ GO5 – Trabalhadores não Qualificados / não Especializados

☐ GO6 – Reformados / Pensionistas / Desempregados / A viver de rendimentos

☐ GO7 – Estudantes

☐ GO8 – Domésticas

Muito obrigado(o) pelo seu tempo e ajuda, que é mesmo importante para a nossa tese! Tenha um ótimo dia!

LIST 1

Exhibit 25.3 - Main Insights

In-depth interview			
Brand Awareness	Brand Recall	Luso	30/30
		Vitalis	26/30
		Monchique	19/30
		Serra da Estrela	16/30

		Caramulo	11/30
		Fastio	10/30
		Penacova	9/30
		Continente	9/30
	Brand Recognition	Luso	29/29
		Vitalis	29/29
		Caramulo	29/29
		Serra da Estrela	28/29
		Fastio	28/29
		Continente	28/29
		Monchique	26/29
		Nestlé Aquarel	26/29
		Vimeiro	25/29
		Evian	25/29
		Penacova	25/29
		Pingo Doce	23/29

In-depth interview			
Topic being covered	Sub-topic being covered	Answers	Quotes
Water purchase	Buying drivers	Promotion - 12/30	*"Compro água engarrafada que for mais barata. Se houver algo em promoção compro essa"* Female, 26-35, doctor
		Price - 11/30	
		Flavour - 8/30	
		Size format - 5/30	

		Loyalty - 4/30	*"Adoro o sabor da Vitalis. Sabe-me a fresco, não sei explicar. Parece que está sempre fresca, mesmo não estando fresca."* Female, 26-35, student
		Convenience - 3/30	
		Recommendations - 3/30	
		PH - 3/30	
		Healthy benefits - 2/30	
	Frequency of purchase and volume bought	Once a week, around 6L - 6/30	*"Por semana um garrafão e uma garrafa de 1,5l para encher com o garrafão"* Male, 26-35, worker
		Once a week, around 5L - 2/30	
		Once a week, around 2L or 3L - 2/30	
		Once a week, around 24L to 30L - 2/30	
		Every 2 days, 1,5L - 1/30	
	Influencers	Doctor/Nutritionist - 12/30	*"O facto de eu pensar que a água mais alcalina será melhor para o organismo vem da minha nutricionista."* Female, 21-25, student
		No impact - 11/30	
		Friends - 8/30	
		Family - 7/30	
		In-store displays - 1/30	
General perception about flavoured waters	-	Likes it - 11/30	*"Eu compro água de sabores em vez de comprar um refrigerante."* Female, 26-35, worker in communication
		Dislikes it - 11/30	
		Buyers - 2/30	
		Buyers only when on promotion - 3/30	
Water consumption	In-home	Always - 19/30	*Sempre, durante todo o dia. De manhã, às refeições, quando faço desporto..."* Male, 50-60, worker at an insurance company
		No home-consumption - 5/30	
		Always, except during meals - 2/30	
	Outside	Supermarkets - 25/30	*"Para consumo fora de casa, normalmente levo garrafas de casa enchidas com água do garrafão que compro no supermercado."* Female, 21-25, student
		Restaurants - 22/30	
		Cafes - 19/30	
		Gym/when doing - 7/30	
		University or work - 8/30	

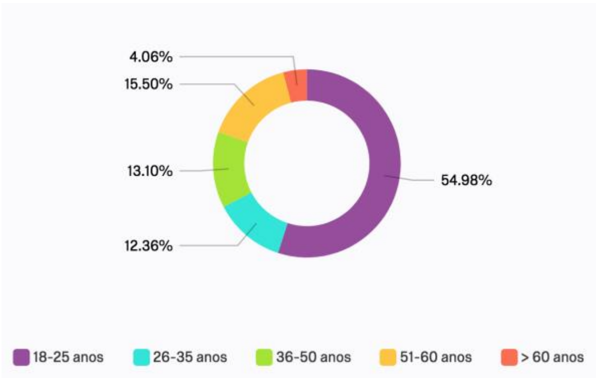
		Vending machines - 3/30	
	Liters of water consumed per day	0,5L - 4/30	-
		0,5L to 1L - 1/30	
		1L - 2/30	
		1L to 1,5L - 1/30	
		1,5L - 12/30	
		1,5L-2L - 2/30	
		2L - 7/30	
		2,5L - 1/30	
Association towards brands	Caramulo	Old-fashioned design and label - 8/30	*“Conheço, mas não me diz nada. Calculo que seja da Serra do Caramulo, mas não me lembro de todo do sabor. Eu acredito que seja uma água mais cara.”* Female, 26-35, student
		Does not have any association with the brand - 6/30	
		Thinks the blue of the acts as a differentiation factor - 5/30	
		Recognizes that Caramulo is an old brand - 5/30	
		Could not remember the logo - 5/30	
		Associates the brand with its provenance - 5/30	
		Thinks the design is poor and not very attractive - 4/30	
	Vitalis	Likes the flavour - 12/30	*"Em relação ao rótulo gosto.. É simples.. E em garrafas de água gosto que se use o azul. Não gosto quando é verde. Não gosto nada de ver garrafas, tampas por exemplo, com outras cores, fica esquisito.."* Female, 26-35, student
		Thinks the label is appealing - 9/30	
		Thinks the bottle design is similar to the others - 8/30	
		Thinks it is a good or trustful brand - 8/30	
		Thinks the flavour is fresh and light - 6/30	
		Associates it with sports - 21/30	
	Luso	Likes the flavour - 13/30	*“Uma marca de confiança e com uma grande relação emocional. Dou esta água aos meus filhos desde que são pequenos” Male*, 50-60, worker at an insurance company
		Associates it with tradition and old memories - 7/30	
		Thinks the bottle does not differentiate itself - 6/30	
		Thinks it is a high quality or trustful brand - 6/30	

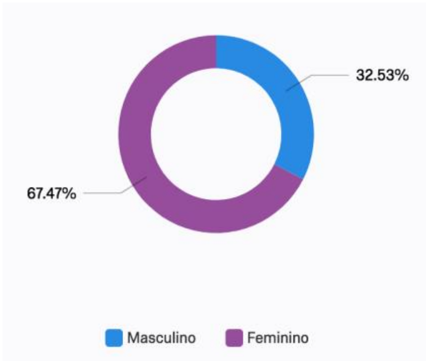
		Has a strong relationship with the brand - 5/30	
		Pejorative association about damaging the health - 5/30	
Association towards flavoured water brands	Vitalis	The interviewee was not aware they existed - 20/30	*"Não conheço, só me lembro das do Luso. Gostava de experimentar pela curiosidade, mas não sei se comprava para experimentar." Fem*ale, 21-25, student
		The interviewee was aware they existed - 9/30	
		The interviewee does not like Vitalis Sabores - 4/30	
		Regular consumer - 3/30	
	Luso	The interviewee was not aware they existed - 5/30	*"Sei que existem, mas nunca experimentei água com sabores" M*ale, 50-60, worker
		The interviewee was aware they existed - 25/30	
		The interviewee was aware they existed but had never tried them - 10/30	
		The interviewee does not like Luso Fruta - 7/30	
		Regular consumer - 5/30	
Communication and Advertising	Recalled campaigns	Luso Fruta campaign - 3/30	*"A última coisa que eu vi sobre as águas foi no instagram uns posts da Vitalis que as meninas estão com aquela garrafinha sport e diz depois do meu treino bebo Vitalis, ou assim uma coisa do género. São os dois posts que vi no fim-de-semana sobre água" Fem*ale, 21-25, student
		Luso labels campaign - 2/30	
		Luso Kids campaign - 2/30	
		Vitalis TV ad of a girl running - 2/30	
		Vitalis on Social Media (Facebook and Instagram) - 3/30	
		Serra da Estrela Plant a Tree Campaign - 2/30	
		Could not recall any campaign - 12/30	
	Time spent on Social Media	Less than 30 min - 5/30	-
		1h to 1h30 - 7/30	
		2h to 3h - 8/30	
		3h to 4h - 3/30	
		4h to 5h - 6/30	
		All day - 1/30	
Sustainability	Importance of sustainability when buying products	Not a decisive factor - 11/30	*"Não é um factor decisivo. Mas também porque as empresas não promovem muito isso" Fem*ale, 21-25, student
		Important and affects buying decision - 10/30	
		Important of the price is not higher - 5/30	

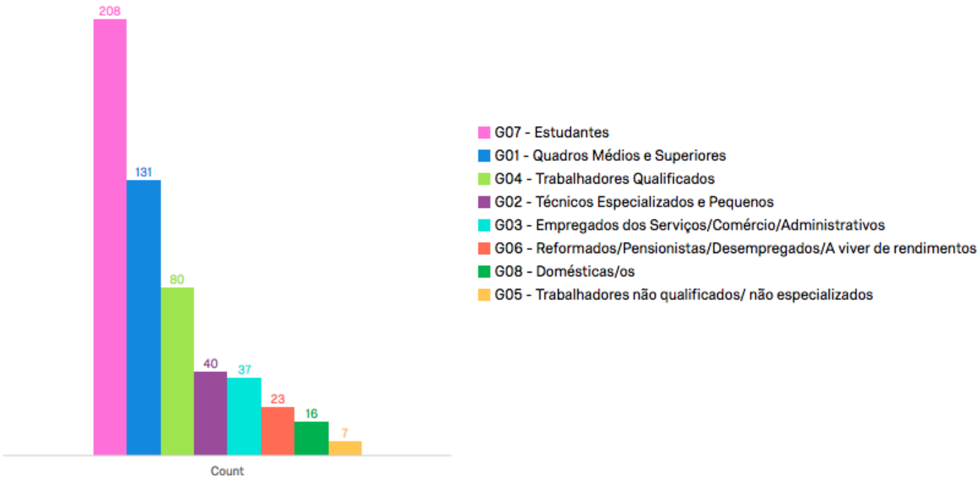
		Important but never notices the campaigns - 5/30	
Projective Techniques	Caramulo as a person	Portuguese man, above 50 years-old. He would have grey hair and white skin and would be old fashion, lonely, retired and sedentary, but friendly.	
	Caramulo as an event	Summer countryside party, during the afternoon. It would take place in Serra do Caramulo in an open space, with traditional Portuguese music playing. Who would come are people from the village and they would be dancing, attending to the concert and playing games.	
	Vitalis as a person	Young Portuguese girl, in her 20-30's. She would be athletic, elegant, sportive, proactive, joyful, and sociable. She would have white skin and would wear casual and practical clothes	
	Vitalis as an event	sports event all day. People attending this event would be active and young. The event would take place close to the river/beach/nature in an open space. The atmosphere would be relaxed, with cheerful and energetic music playing and people would be doing games and challenges with friends	
	Luso as a person	40-50 Portuguese/European business woman, dressed with formal clothes. Regarding physical characteristics she would be thin, tall and would have white skin. In what concerns its personality traits, she would be funny, confident, sportive, and sociable and she would be a mother.	
	Luso as an event	the opinions were allocated to two different types of events. On the one hand, it is seen as a fundraising cocktail event at night in Lisbon. The atmosphere would be serious and relaxed and it would be attended only by invited people dressed formal. On the other hand, Luso was also seen as a family event, which can express the family association that the brand communicates and transmits. This family event would be in Lisbon during all day and would have the purpose of demonstrating the importance of the water for the welfare. The environment would be fun and dynamic and the access would be free.	

Exhibit 26: Quantitative Research

Exhibit 26.1: Sample (542 respondents)







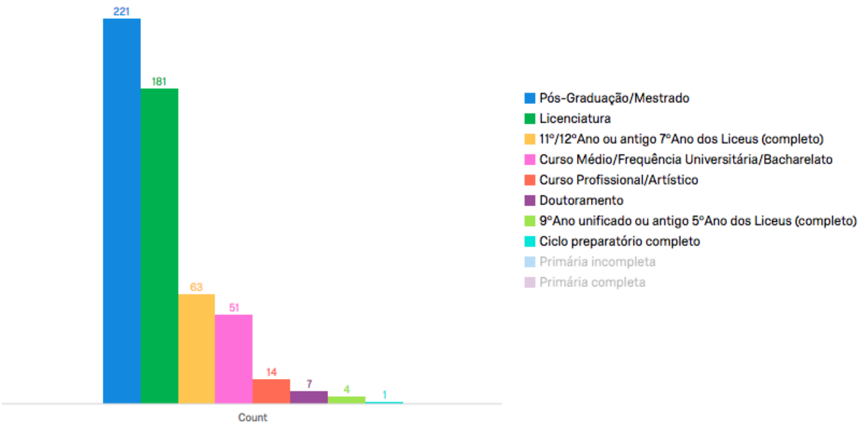


Exhibit 26.2: Interview Guide

Agradecemos desde já a sua disponibilidade para responder a este questionário.
Este inquérito é realizado no âmbito da Tese de Mestrado em Gestão pela Nova School of Business and Economics sobre o consumo de águas engarrafadas.

As respostas são totalmente anónimas, sendo objecto de análise o conjunto das respostas e não as mesmas individualmente.
O tempo estimado para a realização do inquérito é de 10 minutos. Obrigada pela sua contribuição!

Idade

- < 18 anos
- 18-25 anos
- 26-35 anos
- 36-50 anos
- 51-60 anos
- > 60 anos

Skip To: End of Survey If Idade = < 18 anos

Consumo de água engarrafa

Nesta área pretendemos perceber os principais factores que influenciam a compra de água engarrafada.

Na escolha de água engarrafada, quais os factores que considera mais importantes no momento de compra? Distribua 100 pontos pelos seguintes factores considerando: 100 - Extremamente importante; 0 - Nada Importante.
Preço : _______
Promoção : _______
Sabor : _______
Qualidade : _______
pH : _______
Design do rótulo : _______
Formato da embalagem (ex: tamanho, design) : _______
Lealdade à marca : _______
Conveniência (ex: facilidade de transporte, posicionamento da loja) : _______
Benefícios para a saúde (ex: Luso - bom para problemas renais) : _______
Outro: : _______
Total : ________

Qual a frequência com que utiliza os seguintes canais de compra?

	Nunca	1-2 vezes por mês	3-4 vezes por mês	5 ou mais vezes por mês
Hipermercados	○	○	○	○

Supermercados	○	○	○	○
Mercearias	○	○	○	○
Discounters (Lidl, Aldi, Minipreço)	○	○	○	○
Lojas online	○	○	○	○
Cafés/Restaurantes/Hotéis	○	○	○	○

Com que frequência compra água engarrafada para consumo em casa?

○ Nunca

○ 1-2 vezes por mês

○ 3-4 vezes por mês

○ 5 ou mais vezes por mês

Com que frequência compra água engarrafada para consumo fora de casa?

○ Nunca

○ 1-2 vezes por mês

○ 3-4 vezes por mês

○ 5 ou mais vezes por mês

Com que frequência compra as seguintes marcas de água engarrafada?

	Nunca	1-2 vezes por mês	3-4 vezes por mês	5 ou mais vezes por mês
Luso	○	○	○	○
Vitalis	○	○	○	○
Caramulo	○	○	○	○
Caldas de Penacova	○	○	○	○
Monchique	○	○	○	○
Marcas Brancas (Pingo Doce, Continente, etc.)	○	○	○	○
Outras:	○	○	○	○

Sustentabilidade Social e Ambiental

Nesta área pretendemos perceber qual a receptividade/consumo relativamente a produtos sustentáveis e/ou amigos do ambiente.
Costuma procurar informação acerca do impacto ambiental que as marcas têm?

- ○ 0
- ○ 1
- ○ 2
- ○ 3
- ○ 4
- ○ 5
- ○ 6
- ○ 7
- ○ 8
- ○ 9
- ○ 10

Que atitudes no seu dia-a-dia foram alteradas devido a preocupações com o meio ambiente? Selecione as opções que achar relevantes.

- ☐ Comer alimentos frescos e biológicos
- ☐ Uso de transportes publicos
- ☐ Beber água da torneira em vez de estar constantemente a comprar água engarrafada
- ☐ Reciclar em casa
- ☐ Carro elétrico
- ☐ Não alterei a minha atitude
- ☐ Não alterei a minha atitude ____

Qual o material que considera que polui mais o ambiente? Organize as opções considerando que 1 - Muito Poluente e 5 - Pouco poluente.

______ Plástico
______ PET (Material usado em garrafas de água)
______ Papel
______ Alumínio
______ Vidro
______ TetraPak

Estaria disposto a pagar mais por uma embalagem amiga do ambiente?

○ Sim

○ Não

○ Talvez

Display This Question:
If Estaria disposto a pagar mais por uma embalagem amiga do ambiente? != Não

Quanto estaria disposto a pagar por uma garrafa "amiga do ambiente" de 1,5 L? (sabendo que a garrafa de 1,5L do Pingo Doce/Continente custa 0,16€ e uma garrafa de 1,5L da luso custa 0,57€)

○ <0.30€

○ 0.30€-0.50€

○ 0.50€-0.70€

○ 0.70€-1.00€

○ 1.00€-1.20€

○ >1.20€

Display This Question:
If Estaria disposto a pagar mais por uma embalagem amiga do ambiente? = Não

Se não, porquê?

○ Não sinto que tenha grande impacto

○ Não confio na marca

○ Não me identifico com a causa

○ Prefiro dirigir-me directamente a uma associação

○ Outro: ____

Distribua 100 pontos pelas seguintes causas ambientais, considerando a importância que lhes atribui. (100 - Extremamente importante; 0 - Nada Importante)
Acesso a água potável : _______
Poluição dos Oceanos : _______
Qualidade do ar : _______
Poluição dos meios de transporte : _______
Contaminação química dos alimentos : _______
Total : ________

Estaria disposto a pagar mais por uma marca que estivesse associada a uma causa social? (Ex: Na compra de uma garrafa está a ajudar os bombeiros.)

○ Sim

○ Não

○ Talvez

Display This Question:
If Estaria disposto a pagar mais por uma marca que estivesse associada a uma causa social? (Ex: Na c... != Não

O que teria mais peso na sua decisão de compra?

○ X % do valor do produto reverte para apoiar a causa social

○ X € revertem para apoiar a causa social

○ Doação do produto (água engarrafada) para uma associação, por X produtos comprados

○ Outro: ____

Display This Question:
If Estaria disposto a pagar mais por uma marca que estivesse associada a uma causa social? (Ex: Na c... = Não

Se não, porquê?

○ Não sinto que tenha grande impacto

○ Não confio na marca

○ Não me identifico com a causa

○ Prefiro dirigir-me directamente a uma associação

○ Outro: ____

Que atitudes no seu dia-a-dia foram alteradas devido a preocupações com causas sociais? Selecione todas as opções que achar relevante.

- [ ] Faço voluntariado
- [ ] Compro produtos Fair Trade
- [ ] Prefiro o comércio local
- [ ] Não compro marcas associadas à exploração infantil ou condições de trabalho precárias (ex: Nike, Zara, H&M)
- [ ] Faço doações regularmente para associações de causas sociais
- [ ] Não alterei a minha atitude
- [ ] Outro: ____

Distribua 100 pontos pelas seguintes causas sociais, considerando a importância que lhes atribui. (100 - Extremamente importante; 0 - Nada Importante)
Saúde (ex: cancro) : _______
Associações de apoio a crianças (ex: maus tratos/ abusos/ abandono) : _______
Combate à fome e à pobreza : _______
Reinserção social da população idosa : _______
Catástrofes (ex: vítimas de incêndios; cheias) : _______
Educação (ex: formações educativas, bolsas escolares) : _______
Inserção social de Refugiados : _______
Associações de apoio aos animais : _______
Igualdade de género : _______
Total : ________
Display This Question:
If Estaria disposto a pagar mais por uma embalagem amiga do ambiente? != Não
And Estaria disposto a pagar mais por uma marca que estivesse associada a uma causa social? (Ex: Na c... != Não

Onde considera mais importante a comunicação das campanhas de apoio às causas sociais e ambientais anteriormente mencionadas? Selecione todas as opções que achar relevante.

- Nos pontos de venda
- Social media
- Rádio
- Televisão
- Embalagem
- Outdoors/ mupis
- Jornais/ revistas

Estaria disposto a re-encher a sua garrafa de água nos supermercados (com a marca da sua escolha), de maneira a reutilizar a sua garrafa de água e diminuir a pegada ecológica?

- Sim
- Não
- Talvez

Beleza

Nesta área pretendemos perceber qual a percepção e preocupação do consumidor perante benefícios da água e a beleza.

Que tipos de cuidados pessoais costuma ter no seu dia-a-dia?

- Cabelo
- Unhas
- Pele
- Rosto

☐ Corpo (ex: Condição física)

☐ Outro: ____

Que benefícios relacionados com a saúde associa à água? Selecione as opções que achar relevantes.

☐ Hidratação

☐ Bom funcionamento dos rins

☐ Pele hidratada

☐ Redução de toxinas

☐ Ajuda no emagrecimento

☐ Outro: ____

Conhece os benefícios da sílica na saúde?

○ Sim. Quais? ____

○ Não

Caso uma marca se propusesse a lançar uma água com benefícios relacionados com a beleza. Estaria disposto a comprar essa água? (Ex: Um cabelo e pele mais saudável)?

○ Sim

○ Não

○ Talvez

Display This Question:
If Caso uma marca se propusesse a lançar uma água com benefícios relacionados com a beleza. Estaria... = Não

Quais os motivos de desinteresse que o levariam a não comprar uma água com benefícios relacionados com a beleza?

○ Não estou interessado em produtos relacionados com cuidados pessoais/beleza

○ Não acredito nas características funcionais da água/sílica

○ Não conheço as características funcionais da água/sílica

○ Não estou disposto a pagar por uma água com benefícios para a beleza

○ Apenas bebo água quando tenho sede

Display This Question:

If Caso uma marca se propusesse a lançar uma água com benefícios relacionados com a beleza. Estaria... != Não

Compraria esta água com benefícios para a beleza com a mesma regularidade que compra uma água normal?

○ Sim

○ Não

○ Talvez

Display This Question:

If Caso uma marca se propusesse a lançar uma água com benefícios relacionados com a beleza. Estaria... != Não

Estaria disposta a pagar mais por uma água que teria benefícios relacionados com a beleza?

○ Sim

○ Não

○ Talvez

Display This Question:

If Estaria disposta a pagar mais por uma água que teria benefícios relacionados com a beleza? != Não

Quanto estaria disposto a pagar por uma água com benefícios relacionados com a beleza de 1,5 L? (sabendo que a garrafa de 1,5L do Pingo Doce/Continente custa 0,16, uma garrafa de 1,5L da Luso custa 0,57 e uma garrafa da Evian custa 1,25€)

○ <0.30€

○ 0.30€ - 0.50€

○ 0.50€-0.70€

○ 0.70€-1.00€

○ 1.00€-1.20€

○ >1.20€

Onde esperaria encontrar esta água? Selecione todas as opções que considerar relevantes.

☐ Supermercados

☐ Farmácias

☐ Cabeleireiros

☐ Cafés/Restaurantes

☐ Outro: ____

Compraria um creme facial ou outro produto de beleza que teria como água termal a sua marca de água de escolha (Ex: creme facial evian).

☐ Sim

☐ Não

☐ Talvez

Conveniência

Nesta área pretendemos perceber qual a importância percepcionada pelo consumidor perante a conveniência desde o transporte à localização na loja de água engarrafada.

Que aspectos relacionados com a conveniência considera mais importantes? Distribua 100 pontos, considerando: 100 - Extremamente importante; 0 - Nada Importante.
Transporte (desde o momento de compra até ao consumo) : _______
Consumo doméstico (Ex: dificuldade em servir um copo de água com um garrafão) : _______
Abertura fácil : _______
Embalagem ergonómica : _______
Posicionamento na loja. (Ex: "estar mais à mão) : _______
Entrega ao domicílio : _______
Loja Online/App : _______
Outro: : _______
Total : ________

Em relação à embalagem do produto, indique por favor as características que procura quando compra água engarrafada. Selecione as opções que achar relevantes.

- ☐ Pega fácil
- ☐ Abertura fácil
- ☐ Facilidade para servir em casa
- ☐ Fácil transporte (tamanhos grandes)
- ☐ Fácil transporte (tamanhos pequenos)
- ☐ Fácil de armazenar

Em relação ao posicionamento em loja, quais as ações que considera ter impacto na decisão de compra de água engarrafada?

	Pouca influência	Neutro	Muita influência
Proximidade da zona de pagamento	○	○	○
Fácil acessibilidade na prateleira	○	○	○
Auxiliar de transporte de embalagens (ex: carrinho próprio para transporte de águas)	○	○	○
Expositores adicionais (ex: centro da loja, entrada)	○	○	○
Água refrigerada	○	○	○

Geral

Nesta área, pretendemos fazer uma caracterização do perfil dos respondentes.

Sexo

- ○ Masculino
- ○ Feminino

○ Não quero mencionar

Educação

○ Primária incompleta

○ Primária completa

○ Ciclo preparatório completo

○ 9ºAno unificado ou antigo 5ºAno dos Liceus (completo)

○ 11º/12ºAno ou antigo 7ºAno dos Liceus (completo)

○ Curso Profissional/Artístico

○ Curso Médio/Frequência Universitária/Bacharelato

○ Licenciatura

○ Pós-Graduação/Mestrado

○ Doutoramento

Ocupação

○ G01 - Quadros Médios e Superiores

○ G02 - Técnicos Especializados e Pequenos

○ G03 - Empregados dos Serviços/Comércio/Administrativos

○ G04 - Trabalhadores Qualificados

○ G05 - Trabalhadores não qualificados/ não especializados

○ G06 - Reformados/Pensionistas/Desempregados/A viver de rendimentos

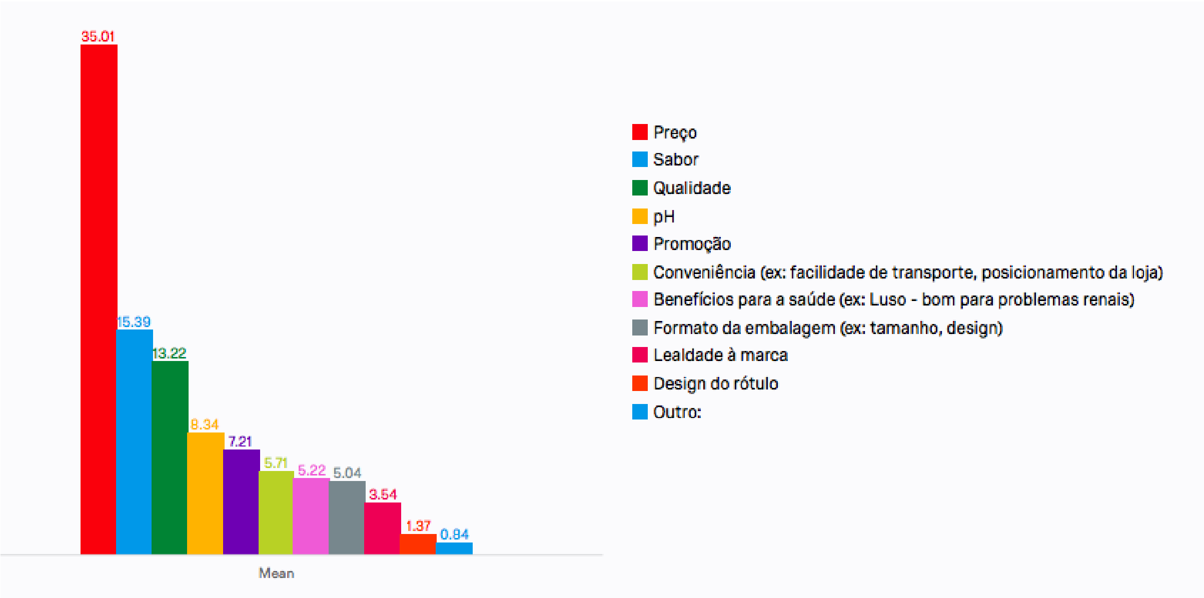
○ G07 - Estudantes

○ G08 - Domésticas/os

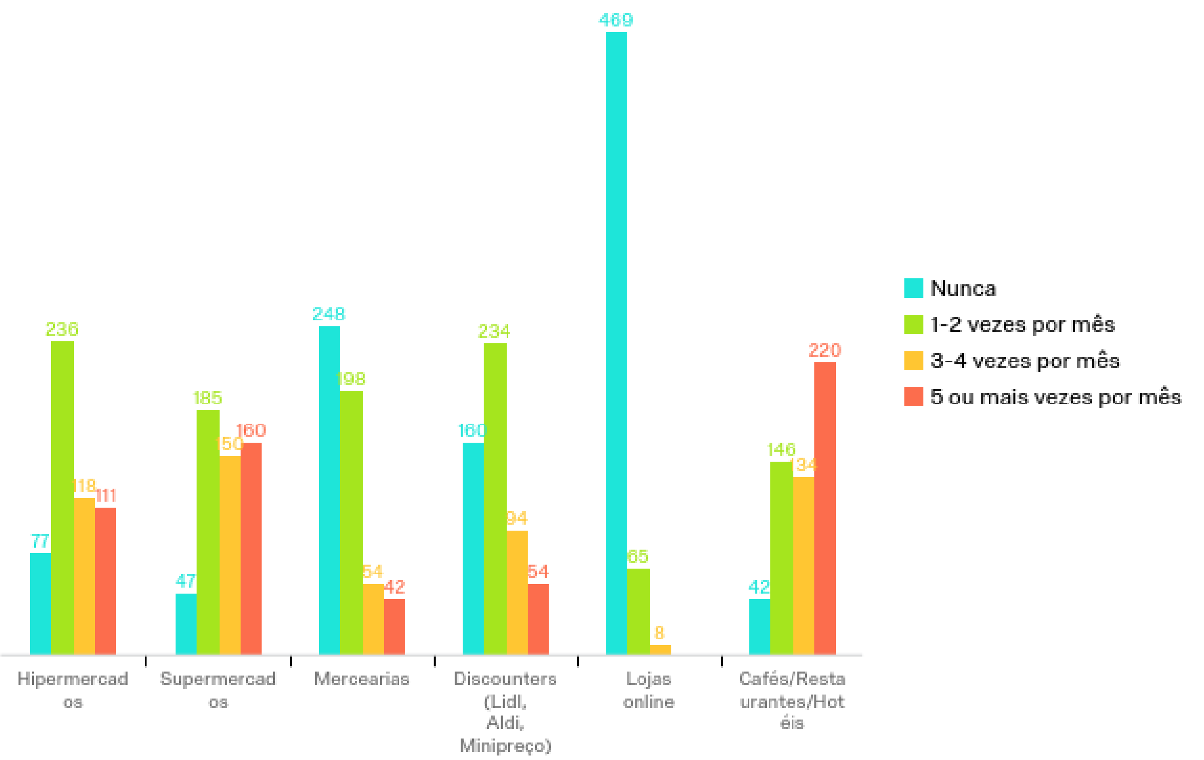
Exhibit 26.3: Main Insights

Exhibit 26.3.1 - Purchasing behaviours

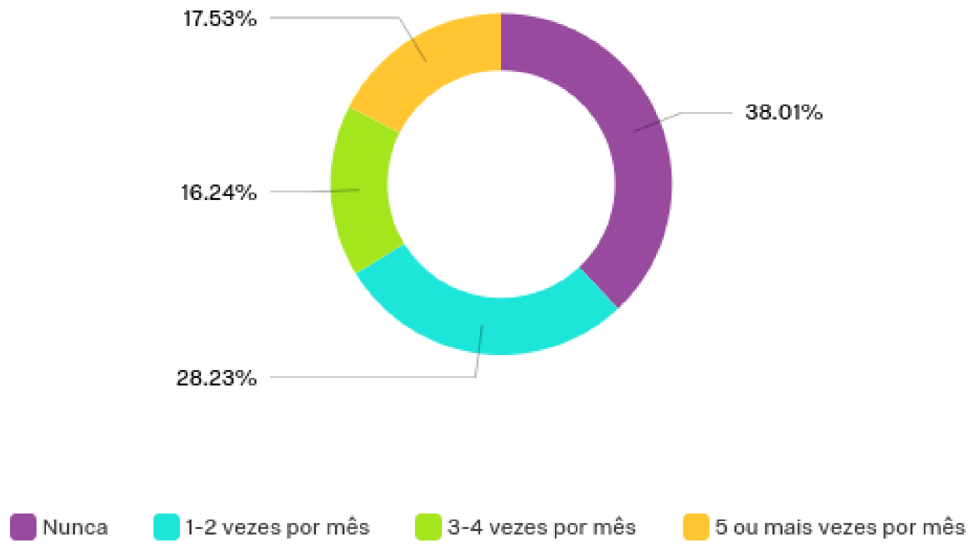
When choosing bottled water, what factors do you consider more important at the time of purchase? Distribute 100 points by the following factors considering: 100 - Extremely important; 0 - Nothing Important.



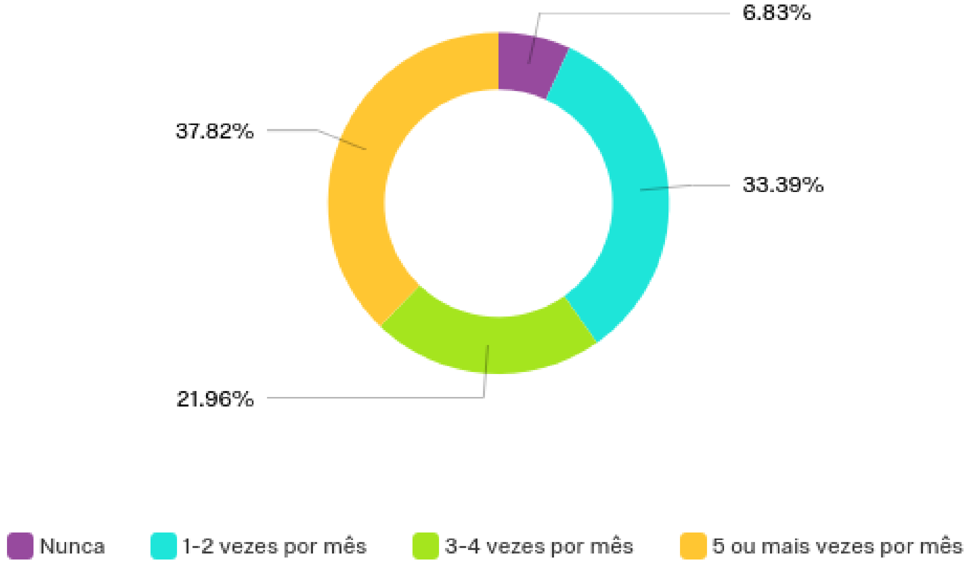
How often do you use the following buying channels?



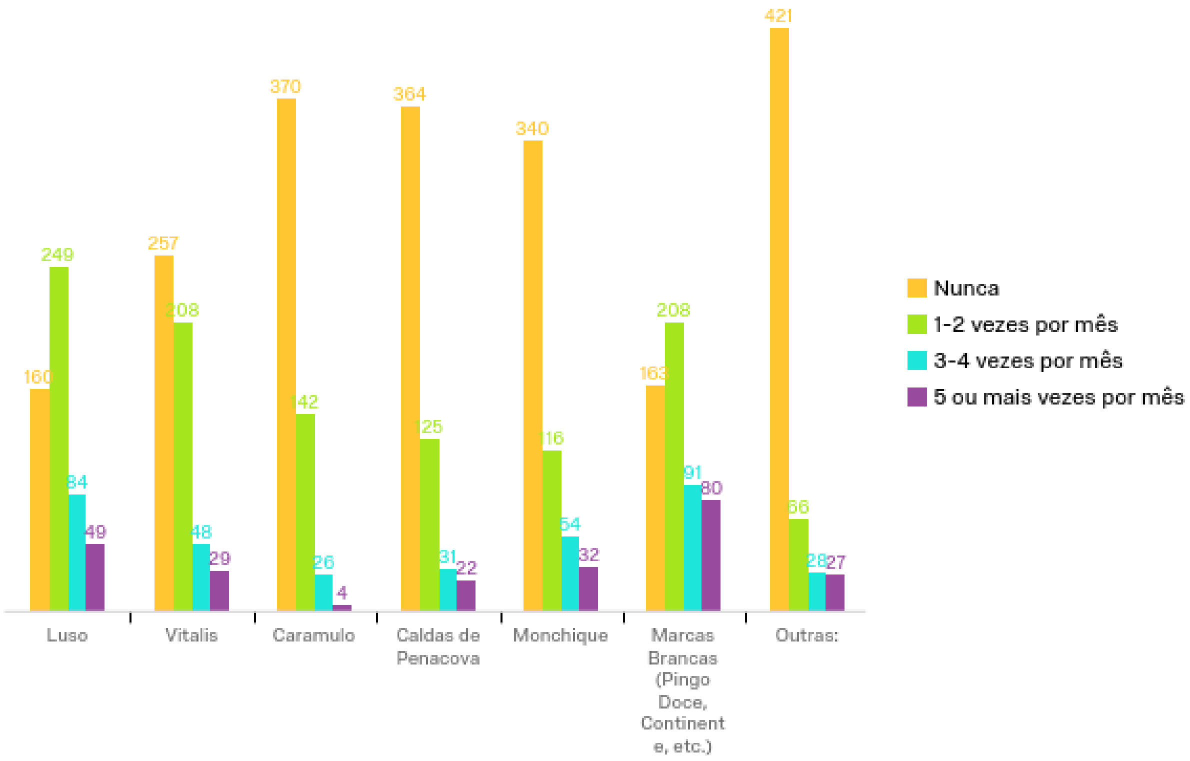
How often do you buy bottled water to home consumption?



How often do you buy bottled water to out-of-home consumption?



How often do you buy the following brands?



Others:

Contingency Analysis	fo	fe	(fo-fe)	(fo-fe)^2/fe
1-2 times hyper; 1-2 times Luso	110	100.80	9.20	0.84

1-2 times hyper; 3-4 times Luso	36	36.70	-0.70	0.01
1-2 times hyper; 5 times or more Luso	14	22.51	-8.51	3.22
3-4 times hyper; 1-2 times Luso	48	50.40	-2.40	0.11
3-4 times hyper; 3-4 times Luso	16	18.35	-2.35	0.30
3-4 times hyper; 5 times or more Luso	16	11.25	4.75	2.00
5 times or more hyper; 1-2 times Luso	48	54.81	-6.81	0.85
5 times or more hyper; 3-4 times Luso	23	19.95	3.05	0.46
5 times or more hyper; 5 times or more Luso	16	12.24	3.76	1.16
			Total	8.95

df (r-1)(c-1)	4
alfa	0.05
Crit Chi-square	9.487729037
Sample Chi-square	8.95

According to the results of the survey, frequency of going to hypermarket seems not to be related with frequency of buying Luso. (-) values mean that there are less people than expected responding in a certain category, (+) values mean exactly the opposite.

Contingency Analysis (2)	fo	fe	(fo-fe)	(fo-fe)^2/fe
1-2 times super; 1-2 times Luso	104	91.05	12.95	1.84
1-2 times super; 3-4 times Luso	26	31.83	-5.83	1.07
1-2 times or more super; 5 times or more Luso	11	18.13	-7.13	2.80
3-4 times super; 1-2 times Luso	62	62.63	-0.63	0.01
3-4 times super; 3-4 times Luso	23	21.89	1.11	0.06
3-4 times super; 5 times or more Luso	12	12.47	-0.47	0.02
5 times or more super; 1-2 times Luso	60	72.32	-12.32	2.10

5 times or more super; 3-4 times Luso	30	25.28	4.72	0.88
5 times or more super; 5 times or more Luso	22	14.40	7.60	4.01
			Total	12.78

df (r-1)(c-1)	4
alfa	0.05
Crit Chi-square	9.487729037
Sample Chi-square	12.78

According to the results of the survey, frequency of going to supermarkets seems to be related with frequency of buying Luso. It seems that people that go more often to supermarkets tend to buy more often than expected the brand Luso. (-) values mean that there are less people than expected responding in a certain category, (+) values mean exactly the opposite.

Contingency Analysis (3)	fo	fe	(fo-fe)	(fo-fe)^2/fe
1-2 times hyper; 1-2 times Vitalis	87	78.47	8.53	0.93
1-2 times hyper; 3-4 times Vitalis	11	16.75	-5.75	1.97
1-2 times or more hyper; 5 times or more Vitalis	10	12.78	-2.78	0.61
3-4 times hyper; 1-2 times Vitalis	45	48.68	-3.68	0.28
3-4 times hyper; 3-4 times Vitalis	12	10.39	1.61	0.25
3-4 times hyper; 5 times or more Vitalis	10	7.93	2.07	0.54
5 times or more hyper; 1-2 times Vitalis	46	50.86	-4.86	0.46
5 times or more hyper; 3-4 times Vitalis	15	10.86	4.14	1.58
5 times or more hyper; 5 times or more Vitalis	9	8.29	0.71	0.06
			Total	6.68

df (r-1)(c-1)	4
alfa	0.05
Crit Chi-square	9.487729037
Sample Chi-square	6.68

According to the results of the survey, frequency of going to hypermarket seems not to be related with frequency of buying Vitalis. (-) values mean that there are less people than expected responding in a certain category, (+) values mean exactly the opposite.

Contingency Analysis (4)	fo	fe	(fo-fe)	(fo-fe)^2/fe
1-2 times super; 1-2 times Vitalis	77	70.26	6.74	0.65
1-2 times super; 3-4 times Vitalis	11	15.42	-4.42	1.26
1-2 times super; 5 times or more Vitalis	7	9.32	-2.32	0.58
3-4 times super; 1-2 times Vitalis	60	62.13	-2.13	0.07
3-4 times super; 3-4 times Vitalis	15	13.63	1.37	0.14
3-4 times super; 5 times or more Vitalis	9	8.24	0.76	0.07
5 times or more super; 1-2 times Vitalis	59	63.61	-4.61	0.33
5 times or more super; 3-4 times Vitalis	17	13.95	3.05	0.66
5 times or more super; 5 times or more Vitalis	10	8.44	1.56	0.29
			Total	4.06

df (r-1)(c-1)	4
alfa	0.05
Crit Chi-square	9.487729037
Sample Chi-square	4.06

According to the results of the survey, frequency of going to supermarket seems not to be related with frequency of buying Vitalis. (-) values mean that there are less people than expected responding in a certain category, (+) values mean exactly the opposite.

Contingency Analysis (5)	fo	fe	(fo-fe)	(fo-fe)^2/fe
1-2 times hyper; 1-2 times Caramulo	64	59.62	4.38	0.32
1-2 times hyper; 3-4 times Caramulo	6	10.55	-4.55	1.96

1-2 times hyper; 5 times or more Caramulo	2	1.83	0.17	0.01
3-4 times hyper; 1-2 times Caramulo	32	33.95	-1.95	0.11
3-4 times hyper; 3-4 times Caramulo	8	6.01	1.99	0.66
3-4 times hyper; 5 times or more Caramulo	1	1.04	-0.04	0.00
5 times or more hyper; 1-2 times Caramulo	34	36.43	-2.43	0.16
5 times or more hyper; 3-4 times Caramulo	9	6.45	2.55	1.01
5 times or more hyper; 5 times or more Caramulo	1	1.12	-0.12	0.01
			Total	4.26

df (r-1)(c-1)	4
alfa	0.05
Crit Chi-square	9.487729037
Sample Chi-square	4.26

According to the results of the survey, frequency of going to hypermarket seems not to be related with frequency of buying Caramulo. (-) values mean that there are less people than expected responding in a certain category, (+) values mean exactly the opposite.

Contingency Analysis (6)	fo	fe	(fo-fe)	(fo-fe)^2/fe
1-2 times super; 1-2 times Caramulo	52	46.78	5.22	0.58
1-2 times super; 3-4 times Caramulo	3	8.15	-5.15	3.26
1-2 times super; 5 times or more Caramulo	1	1.06	-0.06	0.00
3-4 times super; 1-2 times Caramulo	35	39.27	-4.27	0.46
3-4 times super; 3-4 times Caramulo	10	6.84	3.16	1.46
3-4 times super; 5 times or more Caramulo	2	0.89	1.11	1.37
5 times or more super; 1-2 times Caramulo	45	45.95	-0.95	0.02

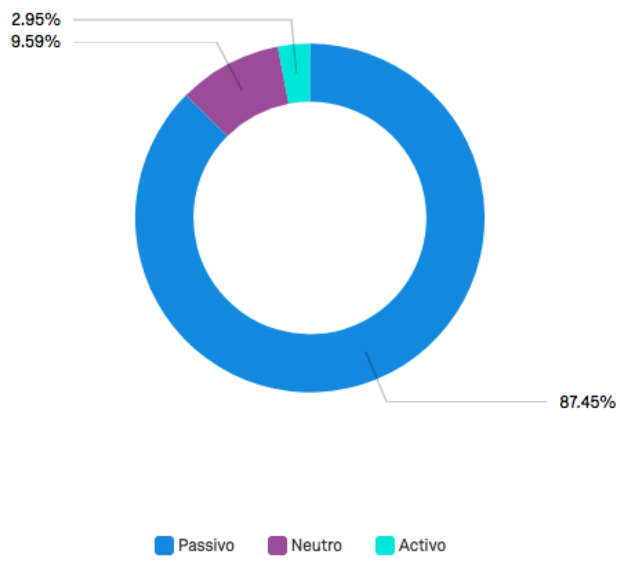
5 times or more super; 3-4 times Luso	10	8.01	1.99	0.50
5 times or more super; 5 times or more Caramulo	0	1.04	-1.04	1.04
			Total	8.70

df (r-1)(c-1)	4
alfa	0.05
Crit Chi-square	9.487729037
Sample Chi-square	8.70

According to the results of the survey, frequency of going to supermarket seems not to be related with frequency of buying Caramulo. (-) values mean that there are less people than expected responding in a certain category, (+) values mean exactly the opposite.

Exhibit 26.3.2 - Environmental & Social Sustainability

Do you search for information about the environmental impact of brands?



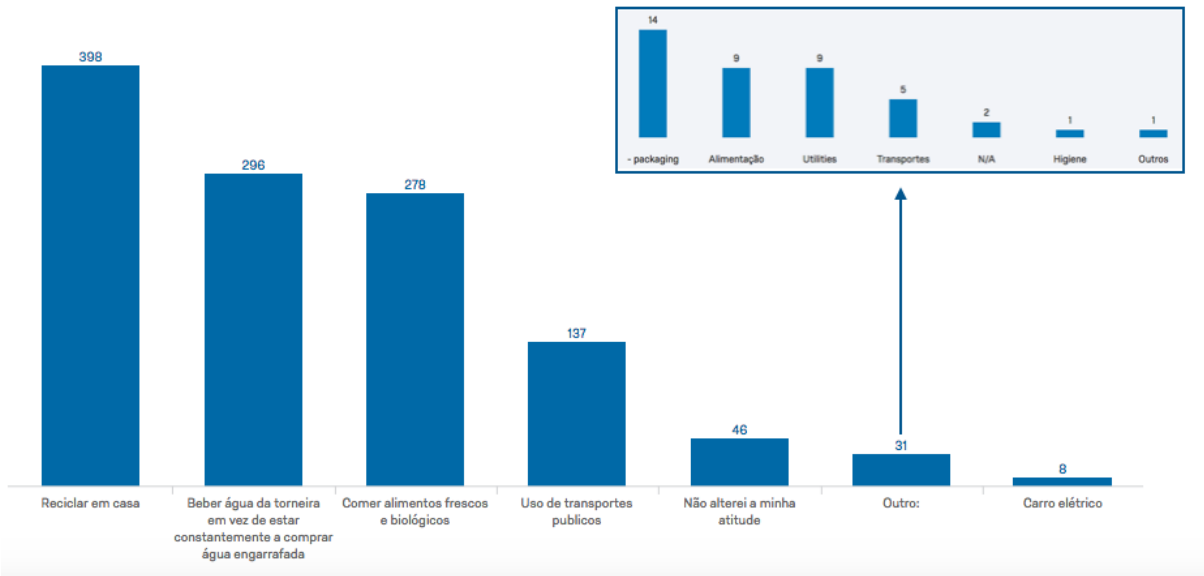
Contingency Analysis	fo	fe	(fo-fe)	(fo-fe)^2/fe
18-25 (Passive)	211	202.33	8.67	0.37
18-25 (Neutral)	58	58.28	-0.28	0.00
18-25 (Active)	29	37.39	-8.39	1.88
26-35 (Passive)	54	45.49	8.51	1.59

26-35 (Neutral)	8	13.10	-5.10	1.99
26-35 (Active)	5	8.41	-3.41	1.38
36-50 (Passive)	44	48.21	-4.21	0.37
36-50 (Neutral)	16	13.89	2.11	0.32
36-50 (Active)	11	8.91	2.09	0.49
51-60 (Passive)	47	57.03	-10.03	1.76
51-60 (Neutral)	20	16.43	3.57	0.78
51-60 (Active)	17	10.54	6.46	3.96
>60 (Passive)	12	14.94	-2.94	0.58
>60 (Neutral)	4	4.30	-0.30	0.02
>60 (Active)	6	2.76	3.24	3.80
			Total	19.30

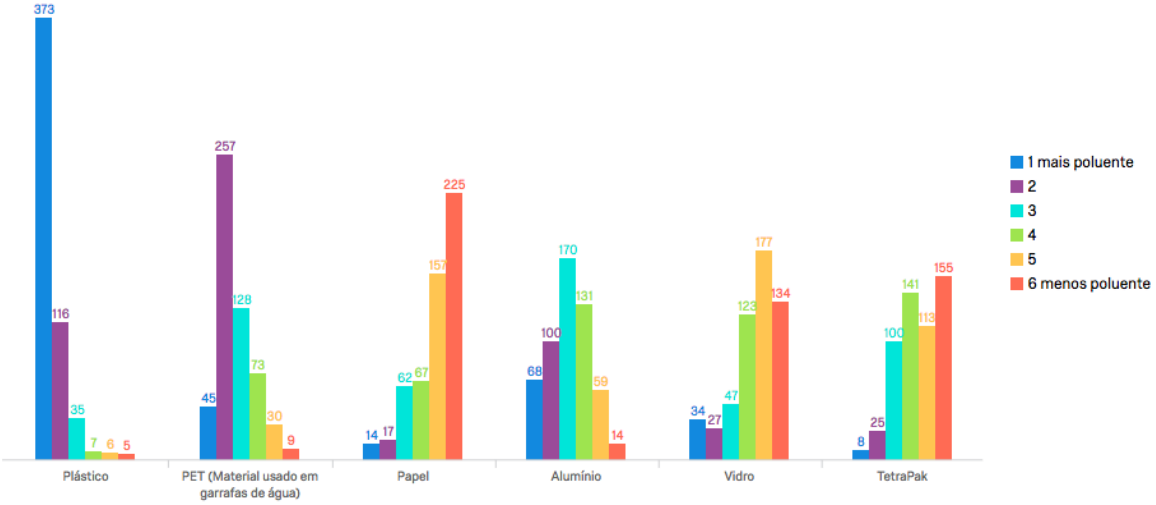
df (r-1)(c-1)	8
alfa	0.05
Crit Chi-square	15.50731306
Sample Chi-square	19.30

According to the results of the survey, search for information about the sustainable impact of brands seems to be related with age. There is less respondents aged 18-25 and 25-35 years old that seem to be actively seeking out information, whereas the opposite happens with the older age groups, which lead us to believe for younger target groups, there will need to be made an extra effort in communicating such efforts.

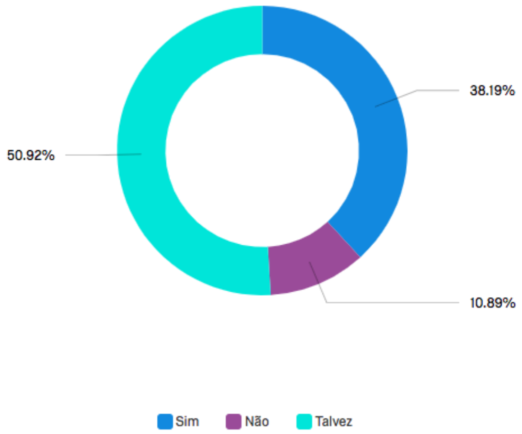
Which daily attitudes did you change do to environmental concerns?



Which material do you consider the most polluting?



Would you be willing to pay more for a eco-friendly packaging?*



Contingency Analysis	fo	fe	(fo-fe)	(fo-fe)^2/fe
18-25 (YES)	87	113.81	-26.81	6.32
18-25 (NO)	42	32.44	9.56	2.82
18-25 (MAYBE)	169	151.75	17.25	1.96
26-35 (YES)	29	25.59	3.41	0.45
26-35 (NO)	7	7.29	-0.29	0.01
26-35 (MAYBE)	31	34.12	-3.12	0.28
36-50 (YES)	35	27.12	7.88	2.29
36-50 (NO)	7	7.73	-0.73	0.07
36-50 (MAYBE)	29	36.15	-7.15	1.42
51-60 (YES)	44	32.08	11.92	4.43
51-60 (NO)	2	9.14	-7.14	5.58
51-60 (MAYBE)	38	42.77	-4.77	0.53

>60 (YES)	12	8.40	3.60	1.54
>60 (NO)	1	2.39	-1.39	0.81
>60 (MAYBE)	9	11.20	-2.20	0.43
			Total	28.95

df (r-1)(c-1)	8
alfa	0.05
Crit Chi-square	15.50731306
Sample Chi-square	28.95

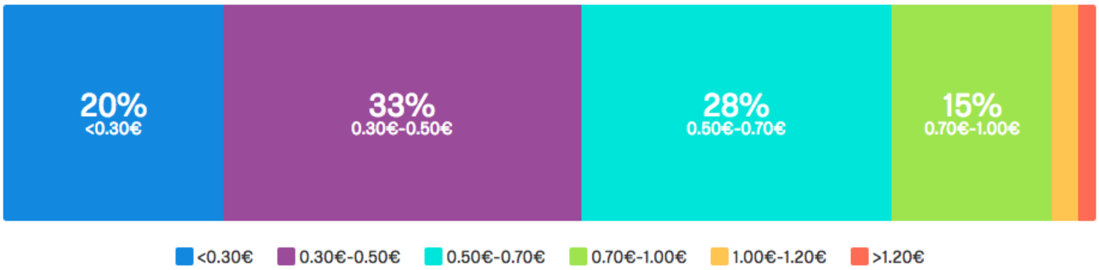
According to the results of the survey, willingness to pay for a environmentally friendly bottle seems to be related with age. There is much less respondents aged 18-25 years old that seem to be willing to pay than expected, however older respondents seem to be willing to pay more than expected, which might be explained by the target's different purchasing power. (-) values mean that there are less people than expected responding in a certain category, for instance there are around less 26 people saying that they are willing to buy an environmental-friendly packaging than what would be expected within this target group. (+) values mean exactly the opposite.

Contingency analysis (2)	fo	fe	(fo-fe)	(fo-fe)^2/fe
18-25 (YES)	87	113.81	-26.81	6.32
18-25 (NO)	211	184.19	26.81	3.90
26-35 (YES)	29	25.59	3.41	0.45
26-35 (NO)	38	41.41	-3.41	0.28
36-50 (YES)	35	27.12	7.88	2.29
36-50 (NO)	36	43.88	-7.88	1.42
51-60 (YES)	44	32.08	11.92	4.43
51-60 (NO)	40	51.92	-11.92	2.74
>60 (YES)	12	8.40	3.60	1.54
>60 (NO)	10	13.60	-3.60	0.95
			Total	24.32

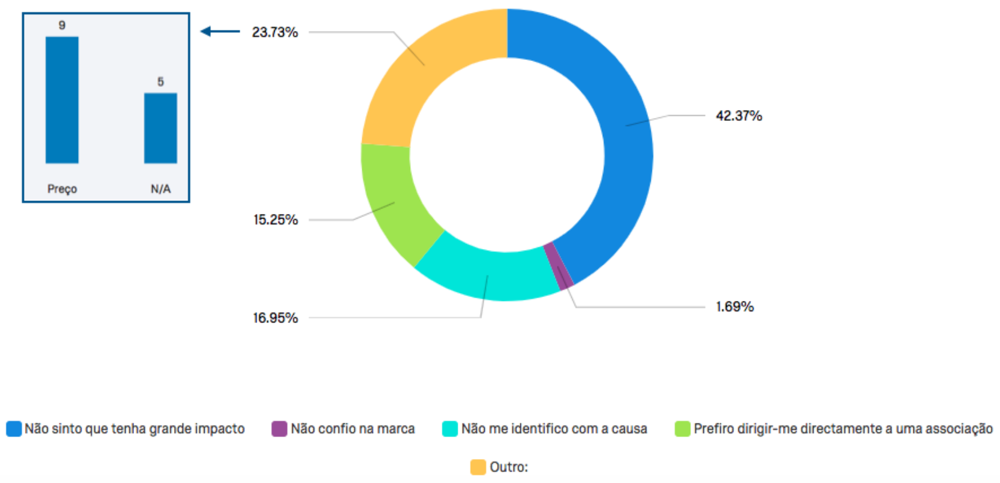
df (r-1)(c-1)	4
alfa	0.05
Crit Chi-square	9.487729037
Sample Chi-square	24.32

Even when we consider that those respondents who answered "maybe" might really mean a shy "no", the relationship between the variables seems to hold.

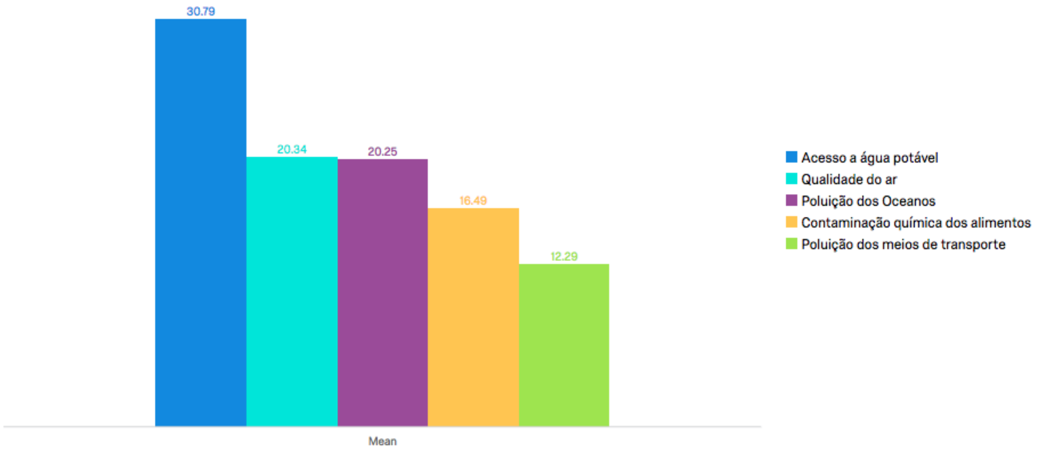
*(*If Yes/Maybe)Would you be willing to pay more for a eco-friendly 1.5l bottle of water?*



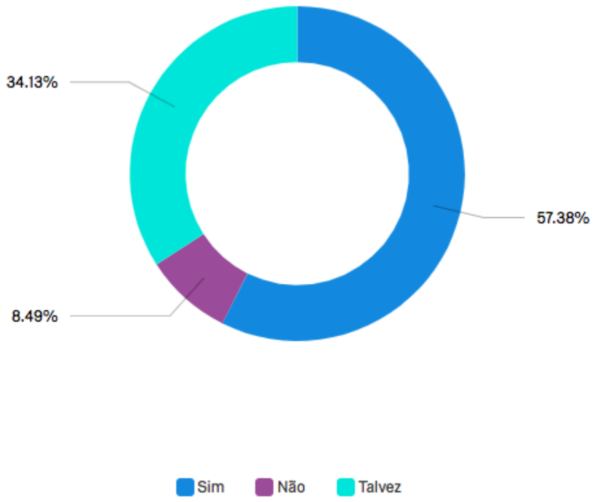
*(*If No) Why?*



Distribute 100 points between the different environmental causes, according to their importance.



Would you be willing to pay more for a packaging related to a social cause?*



Contingency Analysis	fo	fe	(fo-fe)	(fo-fe)^2/fe
18-25 (YES)	167	170.99	-3.99	0.09
18-25 (NO)	27	25.29	1.71	0.12
18-25 (MAYBE)	104	101.72	2.28	0.05
26-35 (YES)	39	38.44	0.56	0.01
26-35 (NO)	8	5.69	2.31	0.94
26-35 (MAYBE)	20	22.87	-2.87	0.36
36-50 (YES)	41	40.74	0.26	0.00
36-50 (NO)	8	6.03	1.97	0.65
36-50 (MAYBE)	22	24.23	-2.23	0.21
51-60 (YES)	51	48.20	2.80	0.16
51-60 (NO)	3	7.13	-4.13	2.39
51-60 (MAYBE)	30	28.67	1.33	0.06
>60 (YES)	13	12.62	0.38	0.01
>60 (NO)	0	1.87	-1.87	1.87
>60 (MAYBE)	9	7.51	1.49	0.30
			Total	7.21

df (r-1)(c-1)	8
alfa	0.05
Crit Chi-square	15.50731306
Sample Chi-square	7.21

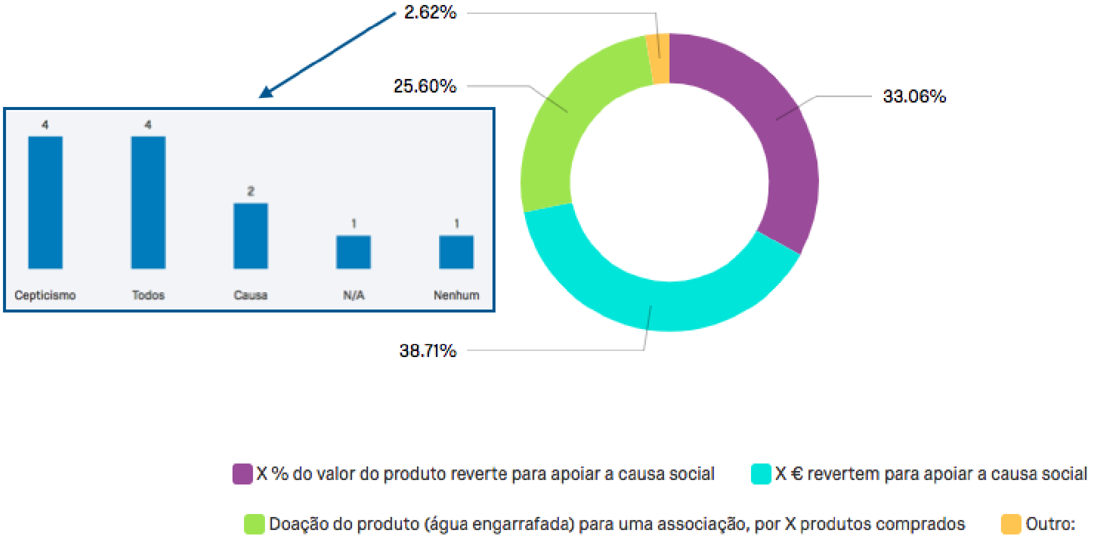
According to the results of the survey, willingness to pay for a social sustainability bottle is independent of age, however the respondents aged 18-25 years of the sample old that seem to be willing to pay are still lower than expected.

Contingency Analysis (2)	fo	fe	(fo-fe)	(fo-fe)^2/fe
18-25 (YES)	167	170.99	-3.99	0.09
18-25 (NO)	131	127.01	3.99	0.13
26-35 (YES)	39	38.44	0.56	0.01
26-35 (NO)	28	28.56	-0.56	0.01
36-50 (YES)	41	40.74	0.26	0.00
36-50 (NO)	30	30.26	-0.26	0.00
51-60 (YES)	51	48.20	2.80	0.16
51-60 (NO)	33	35.80	-2.80	0.22
>60 (YES)	13	12.62	0.38	0.01
>60 (NO)	9	9.38	-0.38	0.02
			Total	0.65

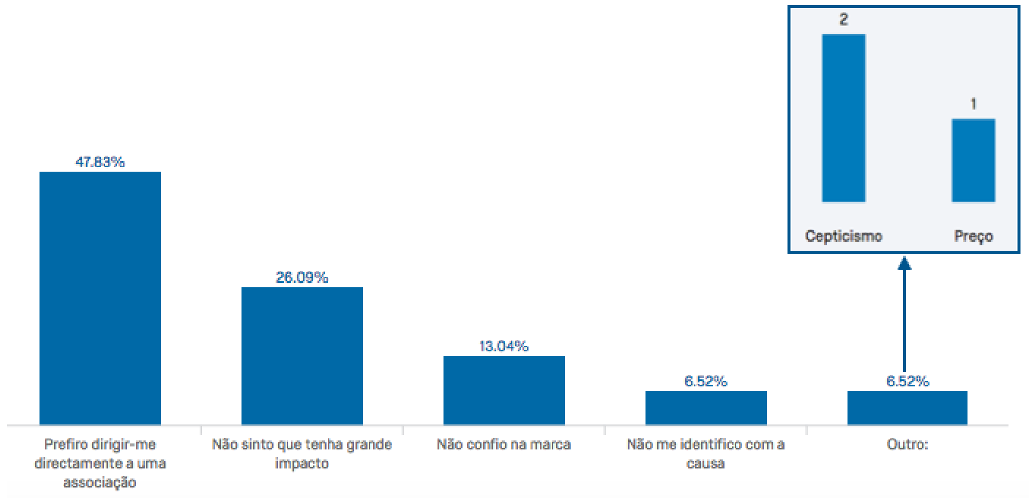
df (r-1)(c-1)	4
alfa	0.05
Crit Chi-square	9.487729037
Sample Chi-square	0.65

Again, considering that those respondents who answered "maybe" might actually mean "no", the independence between the variables still holds.

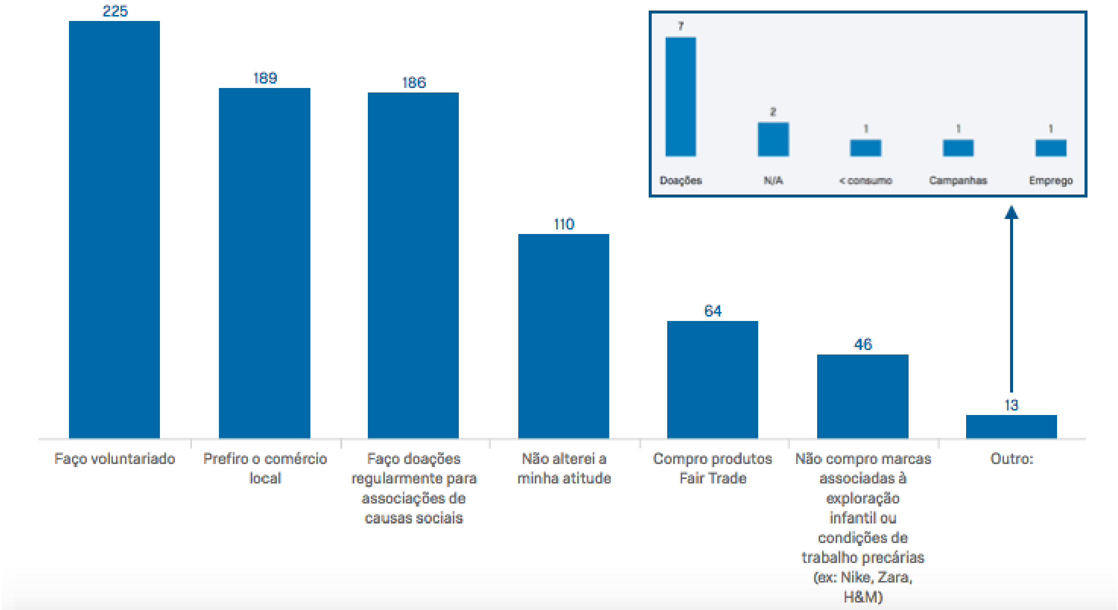
(If Yes) What would influence you the most to buy?*



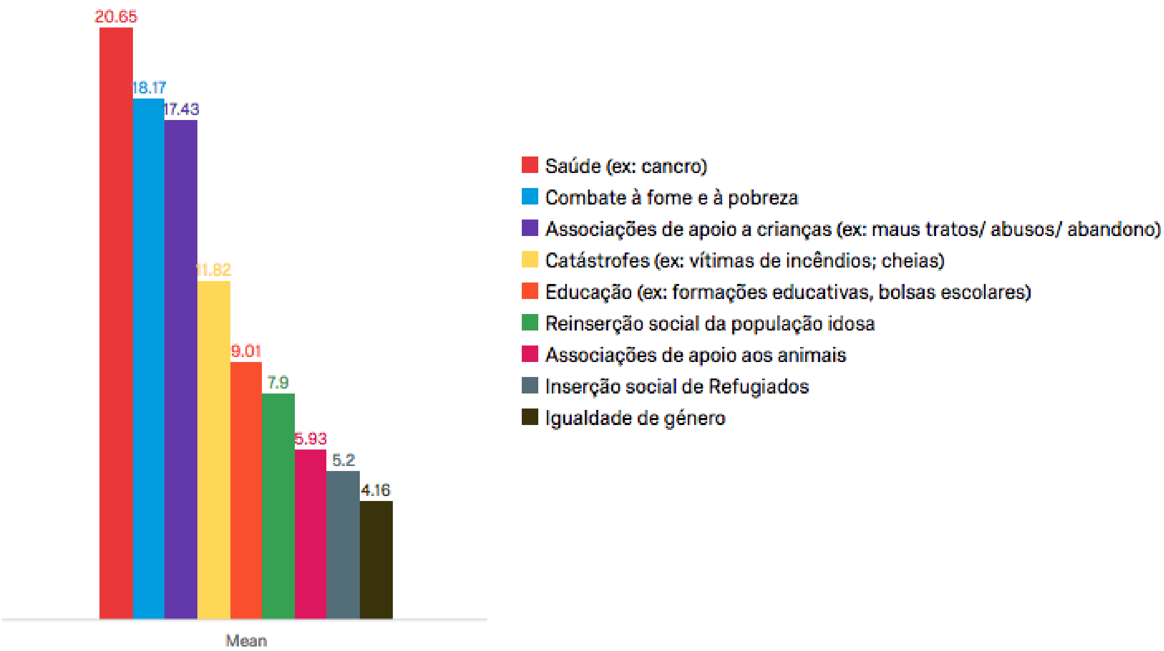
(If No) Why?*



Which daily attitudes did you change do to social sustainability concerns?



Distribute 100 points between the different social causes, according to their importance.



Where would you consider more important to place the communication of the environmental and social sustainability campaigns previously mentioned?

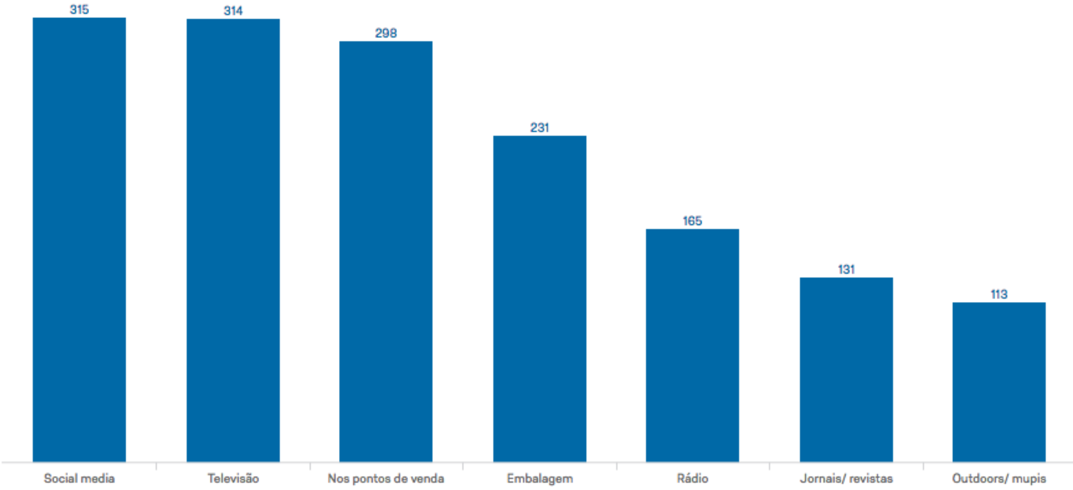


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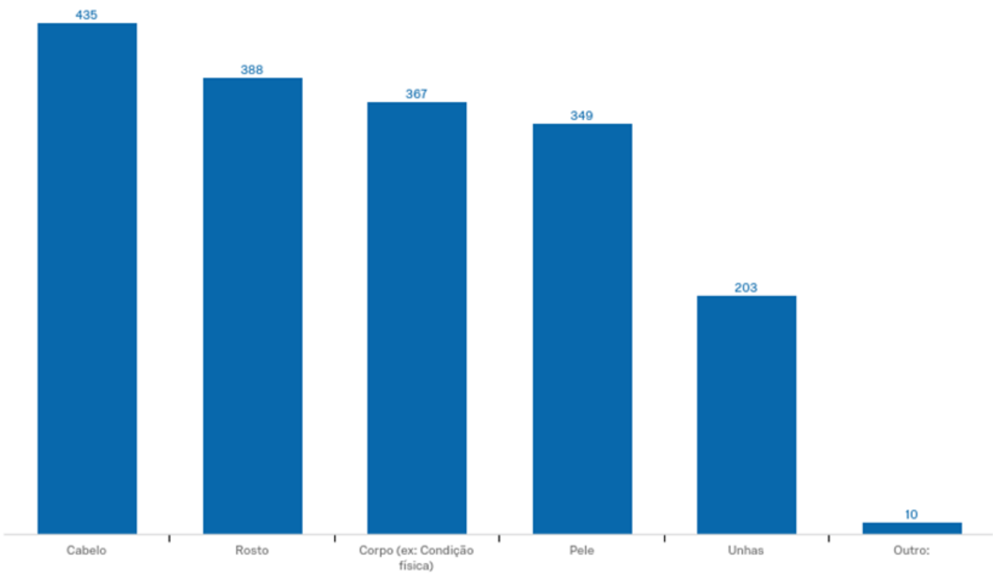
Exhibit 26.3.3 - Beauty

What kind of personal care do you usually have in your daily life?



Contingency Analysis	fo	fe	(fo-fe)	(fo-fe)^2/fe
Hair (Male)	116	140.93	-24.93	4.41
Hair (Female)	318	292.27	25.73	2.27
Nails (Male)	41	65.92	-24.92	9.42
Nails (Female)	162	136.71	25.29	4.68
Skin (Male)	75	113.33	-38.33	12.96
Skin (Female)	274	235.03	38.97	6.46
Face (Male)	78	125.99	-47.99	18.28

Face (Female)	310	261.29	48.71	9.08
Body (Male)	121	118.85	2.15	0.04
Body (Female)	245	246.48	-1.48	0.01
Other (Male)	5	3.25	1.75	0.94
Other (Female)	5	6.73	-1.73	0.44
			Total	68.99

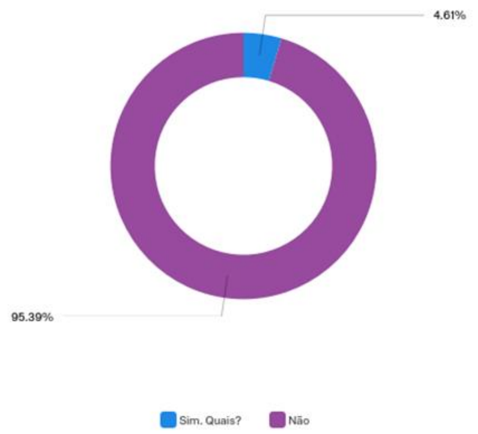
df (r-1)(c-1)	10
alfa	0.05
Crit Chi-square	18.30703805
Sample Chi-square	68.99

According to the results of the survey, the daily routine of beauty and personal care is dependent of gender. Female respondents seem to include more often in their daily routine hair, nails, skin and face care whereas male respondents seem to care more about body or others.

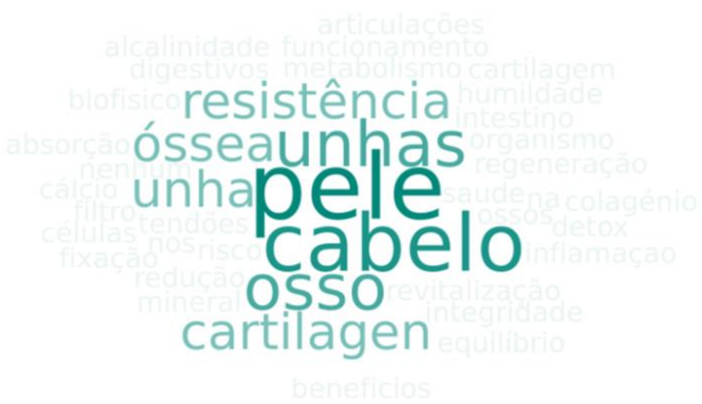
What health-related benefits do you associate with water?

**Other:*

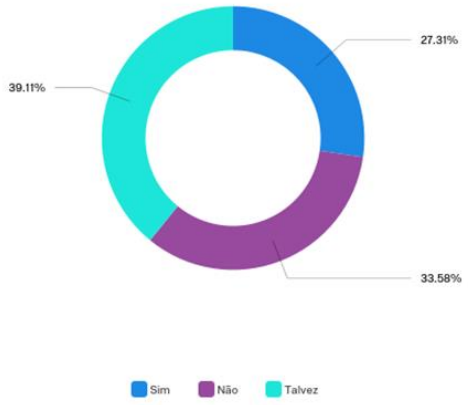
Do you know the benefits of Silica?



**If Yes. Which are the benefits?*



If a brand proposed to launch a beauty water.. Would you be willing to buy this water? (Ex: For a healthier skin and Hair?



Contingency	fo	fe	(fo-fe)	(fo-fe)^2/fe

Analysis				
Male (YES)	31	48.15	-17.15	6.11
Male (NO)	78	58.88	19.12	6.21
Male (MAYBE)	67	68.97	-1.97	0.06
Female (YES)	117	99.85	17.15	2.95
Female (NO)	103	122.12	-19.12	2.99
Female (MAYBE)	145	143.03	1.97	0.03
			Total	18.34

df (r-1)(c-1)	2
alfa	0.05
Crit Chi-square	5.991464547
Sample Chi-square	18.34

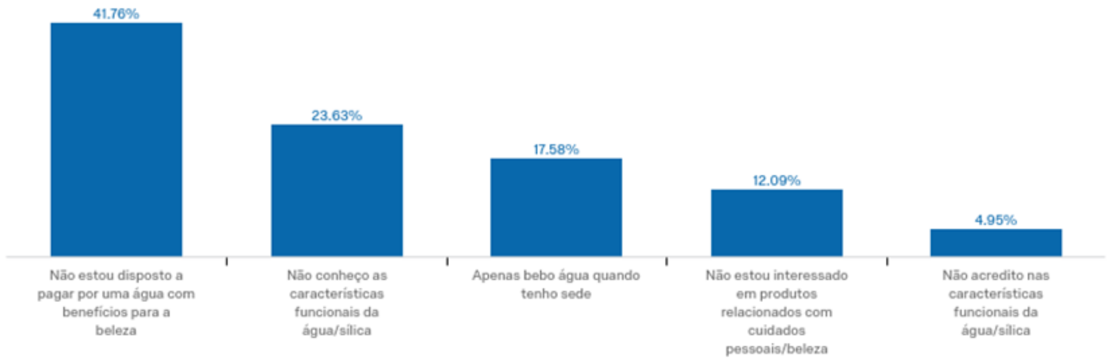
According to the results of the survey, willingness to buy a beauty water seems to be related with gender, as expected. There is much more female respondents that seem to be willing to buy a beauty-related product which might be due to the fact that this target is usually more concerned about beauty and personal care.

Contingency Analysis (2)	fo	fe	(fo-fe)	(fo-fe)^2/fe
Male (YES)	31	48.15	-17.15	6.11
Male (NO)	145	127.85	17.15	2.30
Female (YES)	117	99.85	17.15	2.95
Female (NO)	248	393.00	-145.00	53.50
			Total	64.85

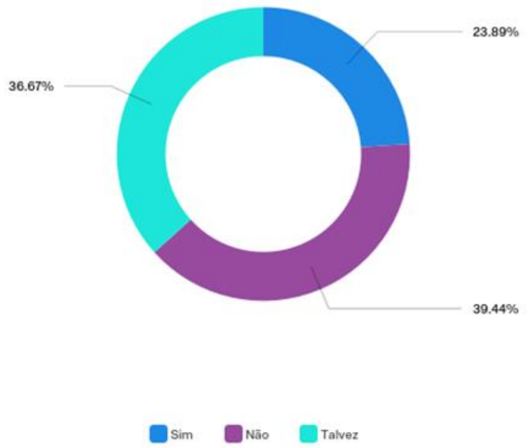
df (r-1)(c-1)	2
alfa	0.05
Crit Chi-square	5.991464547
Sample Chi-square	64.85

Even when we consider that those respondents who answered "maybe" might really mean a shy "no", the relationship between the variables seems to hold.

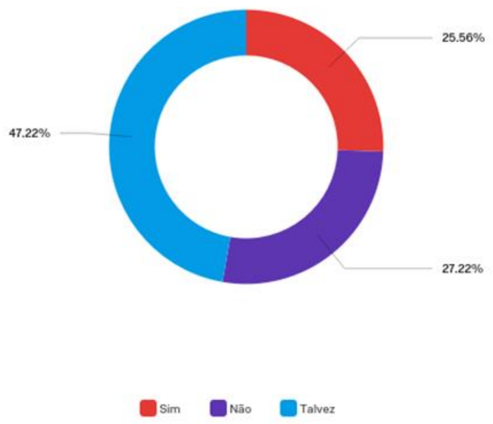
*If No. Why not?



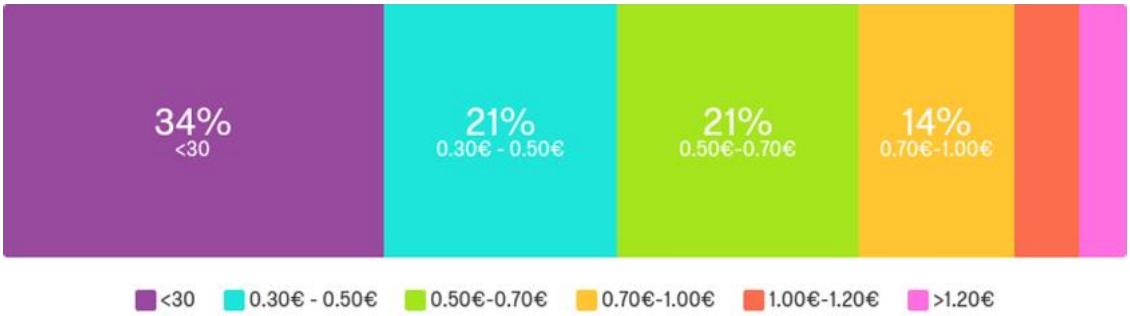
Would you buy this beauty water with the same frequency as you buy Still Water?



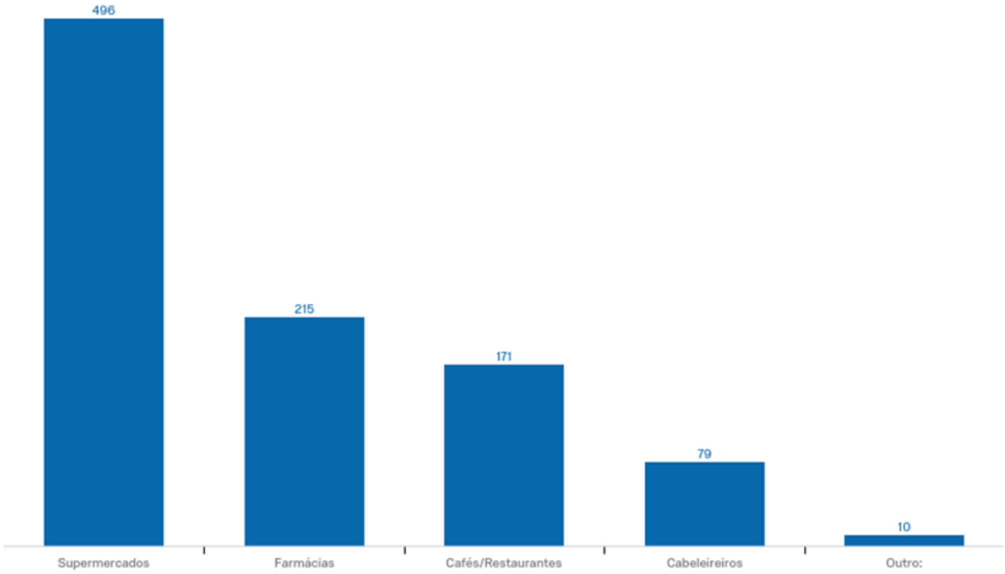
Would you be willing to pay more for a Beauty water?



How much would you be willing to pay for a 1.5 L beauty water? (knowing that the 1.5L bottle of Pingo Doce / Continente costs 0.16, a 1.5L bottle of Luso costs 0.57 and a bottle of Evian costs 1.25 €)



Where would you expect to find this beauty water?



Would you buy a facial cream or other beauty product that would have as thermal water your preference brand water (Ex: evian facial cream)

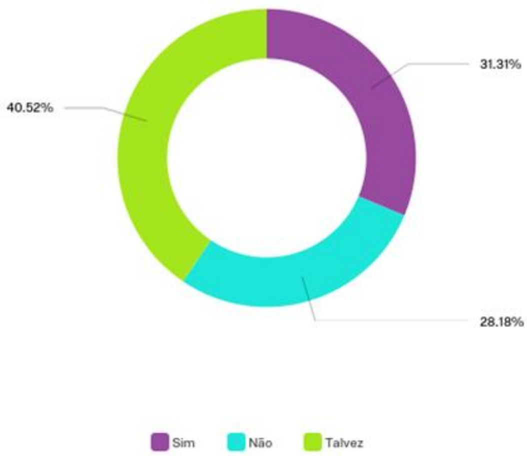
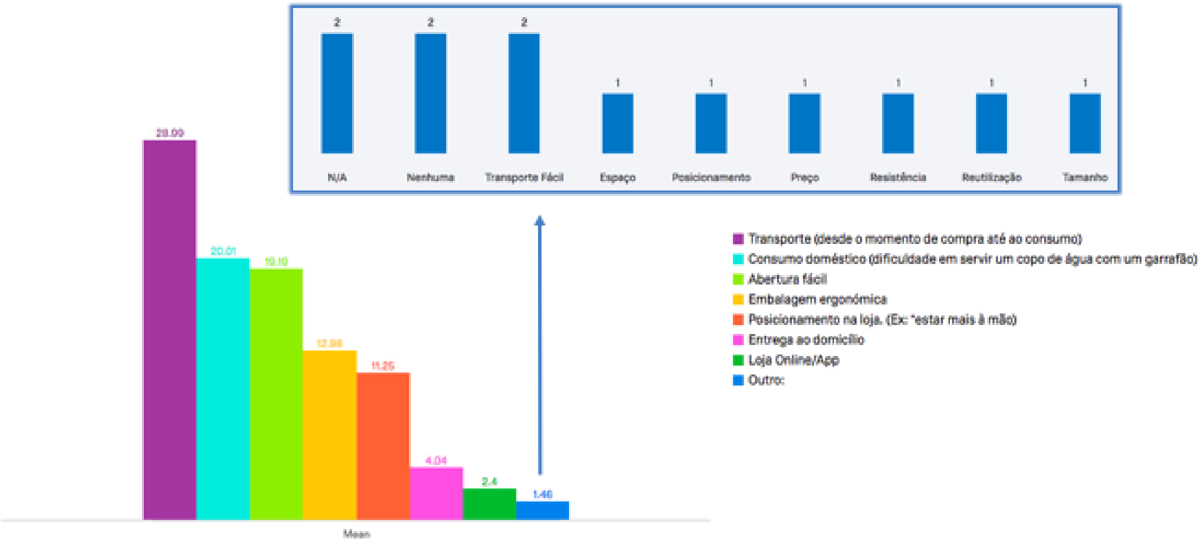
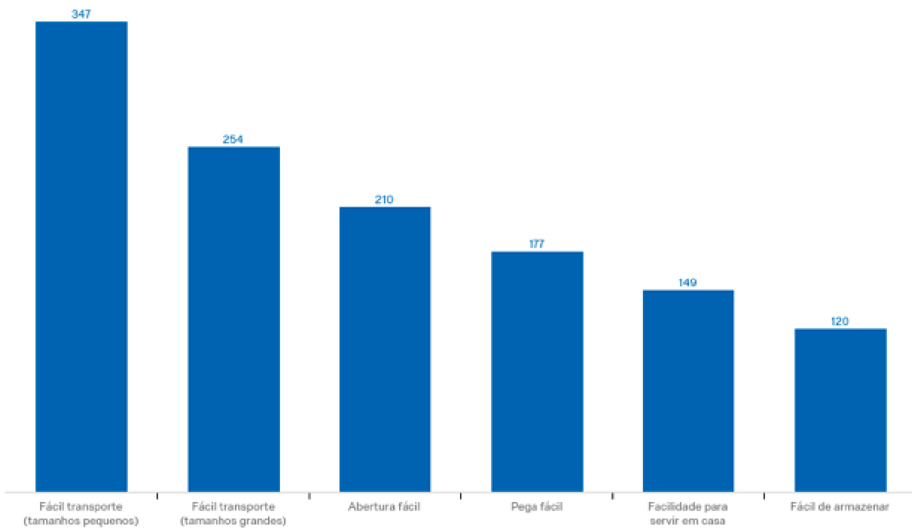


Exhibit 26.3.4 - Convenience

Which aspects of convenience do you consider most important?
Distribute 100 points, considering: 100 - Extremely important; 0 - Nothing Important.



Regarding the product packaging, please indicate the characteristics you are looking for when buying bottled water. Select the options you find relevant.



Regarding to in-store placement, what actions do you consider impact on the decision to purchase bottled water?

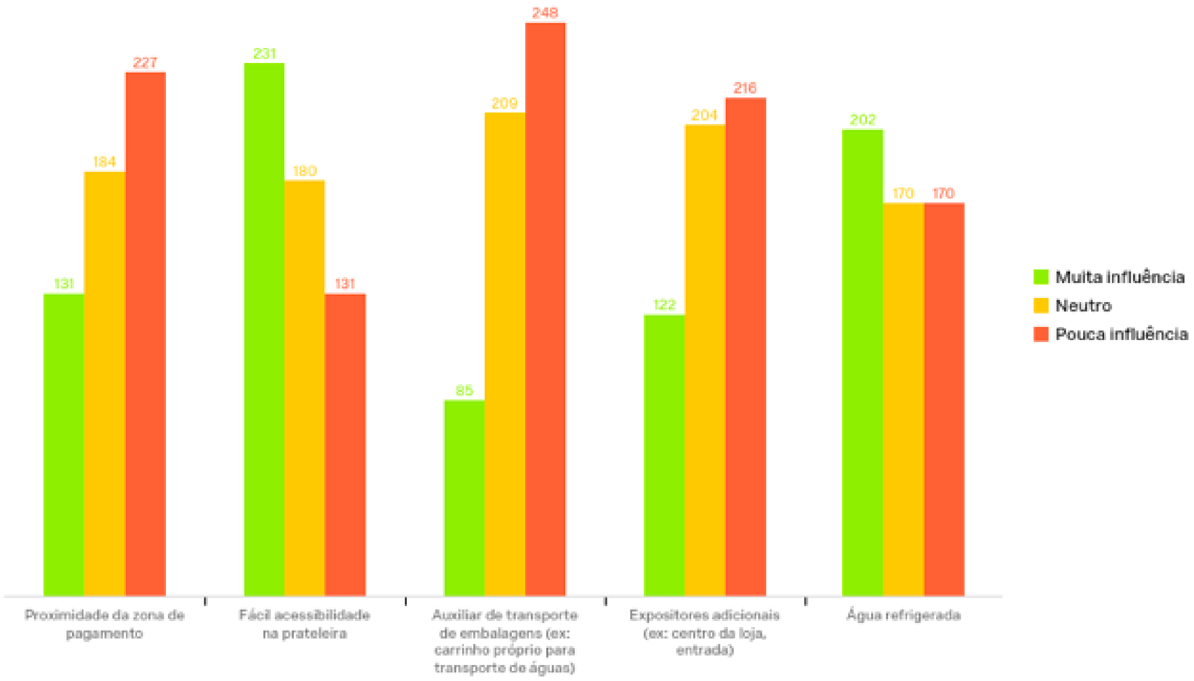


Exhibit 27 - Experts interviews

Maria da Assunção Monteiro, Nutrition student at ISCSEM:

"*Caramulo water is a spring water with granitic characteristics, low mineralization and acid pH (6.5). By circulating under granite it acquires the "mineral" Silica that results from the combination of Silicon with oxygen (SiO_2). This compound is essential to the normal functioning of our body and due to its very small needs there is no specific daily dose. However, according to experts the consumption of this trace element should be around 20-30 mg daily. In general, the ingestion of 2L of water per day contributes to the ingestion of more than 20 minerals and trace elements, that is, about 5-8% of the daily necessities.*

Silica can have the following benefits:

Bone health: Silica plays an important role in the absorption of calcium by the human body, which in turn helps in the growth and maintenance of bones and joints, making them more resilient and flexible. It also contributes to increase the production of collagen, one of the base components of the

bone structure and decreases the healing time of bone fractures.
Natural Detox: Silica helps the human body in removing toxins and heavy metals, such as aluminum. Several studies have stated that aluminum toxicity is related to the pathology of diseases such as Alzheimer's and other neurological disorders.
Hair, hair and nails: Silica is directly related to the formation of collagen, helping to retard and even reverse some effects of aging. This mineral improves the resistance of nails and hair and plays a decisive role in skin healing.
Heart: Studies show that a healthy heart has higher levels of silica bastate than a less healthy one. Silica strengthens the muscle tissue of this vital organ.
Poor silica feed can cause slow healing, bone fragility, and growth disorders."

Dr. Miguel Vargas, Clinical Nutritionist at Scotturb:

"As for silicon, yes, it has some benefits for bones, hair, nails etc. It can improve natural keratin, for instance. There are many other sources of silicon, not necessarily water. "

"In regards to Na + and of bicarbonate here you will be able to see benefits, as one should want a mineralized water, but not with excess of sodium. Caramulo, for instance, does not have proper excess of sodium. If you had taken in Carvalhelhos for example, you could see the excess of sodium, which by comparison is shocking. However, the amount of minerals you should consume varies: for example, if you have an insufficient renal, you want the least possible minerals. For a healthy person, you want more metals, but if you drink Carvalhelhos every day you can have sodium problems."

Dr. Bruna Silva, Clinical Nutritionist at Holmes Place:

"Silica has some benefits for the skin and nails, and for that reason it is used in cosmetic products. The point is that like the history of alkaline pH waters, there is no scientific study to prove the real

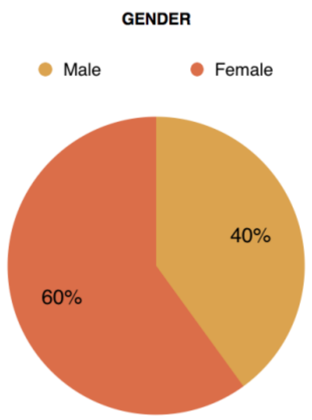
benefits of Silica by drinking water. Indeed, it has these benefits, but is wrong to say that drinking water will originate these beneficial results directly because there is no scientific evidence to prove it."

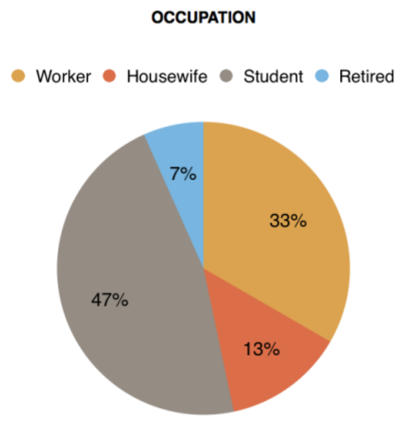
Dr. Helena Silva, Clinical Nutritionist at Unilever Jerónimo Martins:

"In fact, there is no claim approved by the European Union on silica, so there is no hypothesis to legally place any claim on the label. What is approved are claims linked to water hydration. In relation to the benefits of silica there is not much scientific literature. There is a relationship of silica with collagen, because silica is at the base of collagen formation. Thus, there may be benefits to bones, tendons, cartilage, etc."

Exhibit 28 - Second Qualitative Research

Exhibit 28.1 - Sample Characterization (15 respondents)





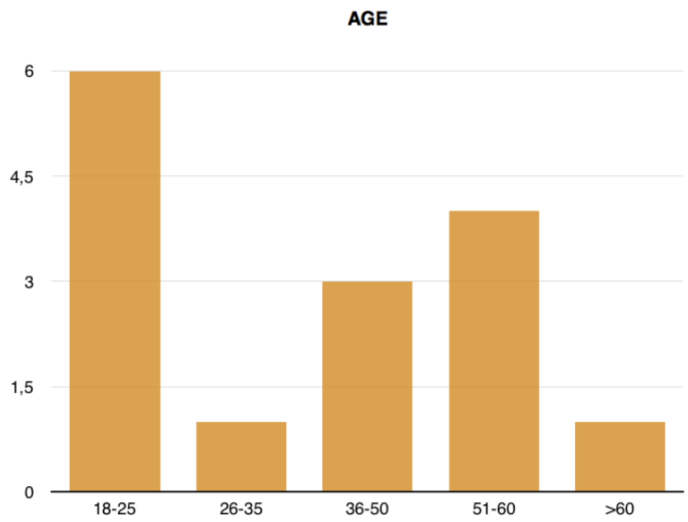


Exhibit 28.2 - Interview Guide

WARM-UP

Bom dia / tarde / noite. O meu nome é __________ e atualmente estou a elaborar a tese de Mestrado em Gestão na Nova School of Business and Economics. Para a elaboração da tese, estamos a fazer um estudo relacionado com consumo de águas, principalmente águas sem gás no mercado português.

Para este fim, gostaria de entrevistá-lo(a) por aproximadamente 5 a 10 minutos. Isto implica uma entrevista de respostas curtas e diretas que endereçam temas muito específicos. Não há respostas certas ou erradas e a entrevista permanecerá anónima.

DIRECT QUESTIONS

Part 1

Imagine uma marca de água engarrafada se foca na sustentabilidade ambiental e se propõe a lançar uma garrafa que incorpora **50% de PET** (material utilizado nas garrafas de água) **reciclado** e serviços associados à reciclagem, como por exemplo uma máquina de reciclagem onde introduziria a sua garrafa e receberia vales de desconto na compra de outras garrafas da marca.

· Compraria uma garrafa de água desta marca? [if not, skip the next question]

· Numa escala de 1 a 5, qual a importância dos seguintes factores na sua decisão de compra? (1 - nada importante; 5 - Muito importante)

- Packaging amigo do ambiente
- Preço
- Design da garrafa

- Variedade de tamanhos do produto
- Marca associada a ações de solidariedade

· [ask for a precise value] Para um formato de **0,5l** desta água cuja garrafa de plástico tem **50% de PET reciclado incorporado**:

a) A que preço esperaria ver este produto?
b) Que preço estaria disposto a pagar por este produto?
c) A que preço este produto começaria a parecer demasiado barato, de tal modo que começaria a revelar pouca qualidade?
d) A partir de que preço este produto começaria a parecer muito caro?

Part 2

Imagine que essa mesma marca de água engarrafada que aposta na sustentabilidade também se foca no segmento de beleza e se propõe a lançar uma gama de águas com propriedades funcionais que melhoram o aspeto da pele, cabelo e unhas. Ou seja, uma água engarrafada que se propõe a trazer beleza para o mundo e para si.

· Compraria uma garrafa de água desta marca? [if not, skip the next question]

· Numa escala de 1 a 5, qual a importância dos seguintes factores na sua decisão de compra? (1 - nada importante; 5 - Muito importante)

- Melhorar a aparência física
- Preço
- Design da garrafa
- Marca do produto
- Variedade de tamanhos do produto
- Produtos com características específicas (ex.: água com vitaminas)
- Promovido por experts da área da beleza

· [ask for a precise value] Para um formato de **0,5l** desta **água de beleza** que tem benefícios para a pele, unhas e cabelo, e cuja garrafa é **amiga do ambiente**:

a) A que preço esperaria ver este produto?

b) Que preço estaria disposto a pagar por este produto?

c) A que preço este produto começaria a parecer demasiado barato, de tal modo que começaria a revelar pouca qualidade?

d) A partir de que preço este produto começaria a parecer muito caro?

· [ask for a precise value] Para um formato de **0,5l**, com as **mesmas características da anterior** mas com uma **cápsula extra** (colocada na tampa) que adiciona **vitaminas à água com propriedades de beleza**: [show image]

a) A que preço esperaria ver este produto?

b) Que preço estaria disposto a pagar por este produto?

c) A que preço este produto começaria a parecer demasiado barato, de tal modo que começaria a revelar pouca qualidade?

d) A partir de que preço este produto começaria a parecer muito caro?

Part 3

Imagine que uma marca de água engarrafada está focada no segmento de desporto. Esta marca participa em eventos de desporto, tem uma gama de garrafas com tamanhos e/ou design de garrafas para desportistas e oferece serviços inovadores que motivam a prática de desporto (ex.: APP de corrida que permite ganhar descontos através dos quilómetros alcançados)

· Compraria uma garrafa de água desta marca? [if not, skip the next question]

· Numa escala de 1 a 5, qual a importância dos seguintes factores na sua decisão de compra? (1 - nada importante; 5 - Muito importante)

- Promovido por atletas
- Design da garrafa

- Variedade de tamanhos do produto
- Inovação (ex.: APP de corridas, etc)
- Preço
- Melhorar o bem estar e aparência física

· [ask for a precise value] Para um formato de **0,75**l de uma **garrafa Vitalis com uma cápsula na tampa**, que ao abrir, deita **vitaminas** na água que ajudam na **recuperação** dos músculos e **preparação** antes de fazer desporto [mention that Vitalis Sport 0,75l costs 0,64€; show image]

a) A que preço esperaria ver este produto?
b) Que preço estaria disposto a pagar por este produto?
c) A que preço este produto começaria a parecer demasiado barato, de tal modo que começaria a revelar pouca qualidade?
d) A partir de que preço este produto começaria a parecer muito caro?

Part 4

Imagine que uma marca de água engarrafada se foca na conveniência e se propõe a lançar um formato de **3l** com uma embalagem semelhante à que pode observar na imagem abaixo. Esta caixa seria uma embalagem prática para transportar, armazenar e servir a água, para além de conservar a qualidade da bebida por mais tempo mesmo depois de aberta. Esta é composta por um saco resistente no interior de uma caixa de cartão, da qual a água sai através de uma torneira.

· Compraria uma garrafa de água desta marca? [if not, skip the next question]

· Numa escala de 1 a 5, qual a importância dos seguintes factores na sua decisão de compra? (1 - nada importante; 5 - Muito importante)

- Packaging amigo do ambiente
- Design da "caixa"
- Variedade de tamanhos do produto (maiores ou mais pequenos)
- Preço
- Conveniência (ex: poder colocar no frigorífico, facilidade de servir, menos pesado que um garrafão, facilidade de armazenar, entre outros)

· [ask for a precise value] Para um formato de **3l** da embalagem acima referida em forma d**e paralelepipedo com torneira**:

a) A que preço esperaria ver este produto?
b) Que preço estaria disposto a pagar por este produto?
c) A que preço este produto começaria a parecer demasiado barato, de tal modo que começaria a revelar pouca qualidade?
d) A partir de que preço este produto começaria a parecer muito caro?

WRAP UP

Para podermos caracterizar a nossa amostra posteriormente, peço apenas que indique:

Idade: ☐ 18 - 25 ☐ 26-35 ☐ 36-50 ☐ 51-60 ☐ 60 +

[DO NOT ASK – JUST REGISTER] Sexo:___________

Occupation | Ocupação [SHOW LIST]

☐ GO1 – Quadros Médios e Superiores

☐ GO2 – Técnicos Especializados e Pequenos

☐ GO3 – Empregados dos Serviços / Comércio / Administrativos

☐ GO4 – Trabalhadores Qualificados / Especializados

☐ GO5 – Trabalhadores não Qualificados / não Especializados

☐ GO6 – Reformados / Pensionistas / Desempregados / A viver de rendimentos

☐ GO7 – Estudantes

☐ GO8 – Domésticas

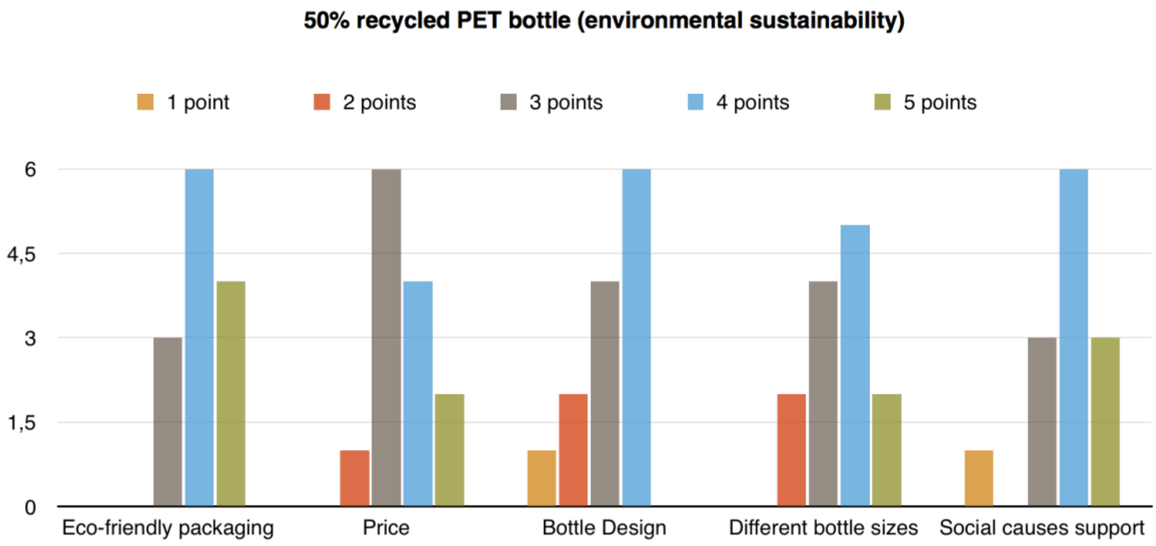
Exhibit 28.3 - Main Findings

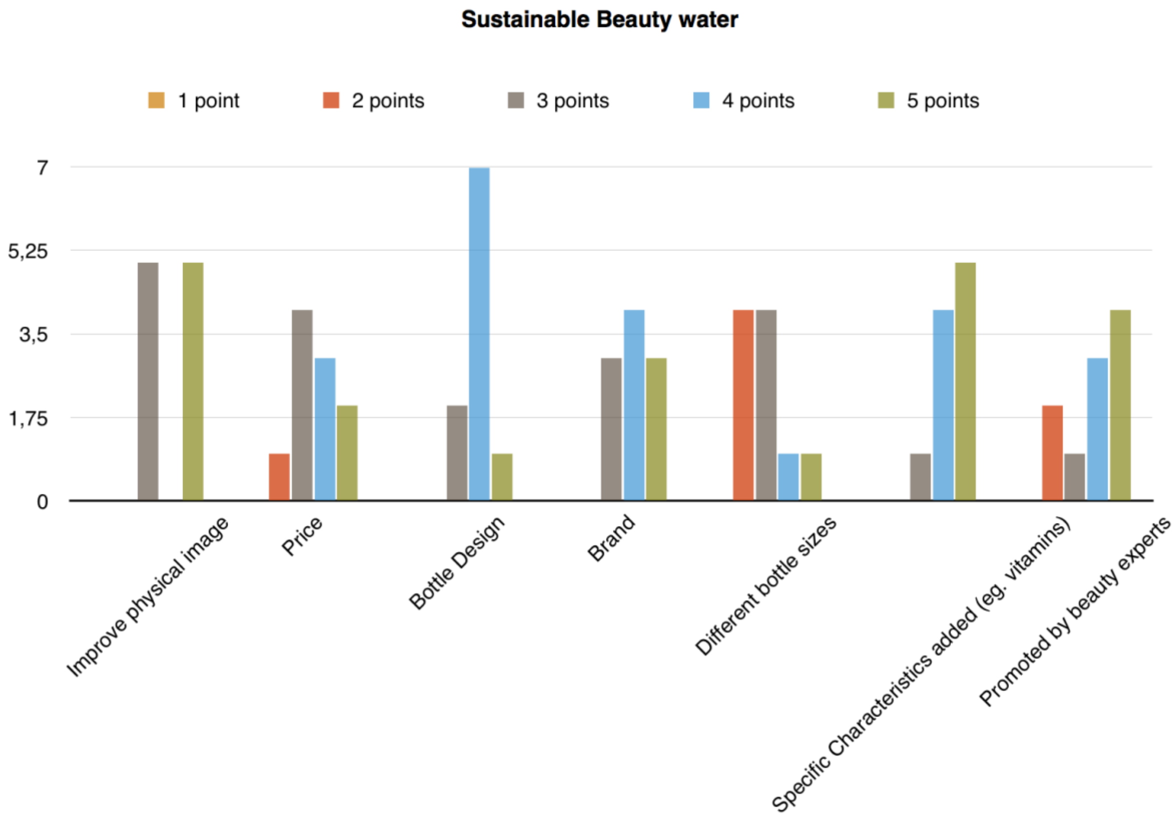
Exhibit 28.3.1 - Expected Price Range

Expected Price Range

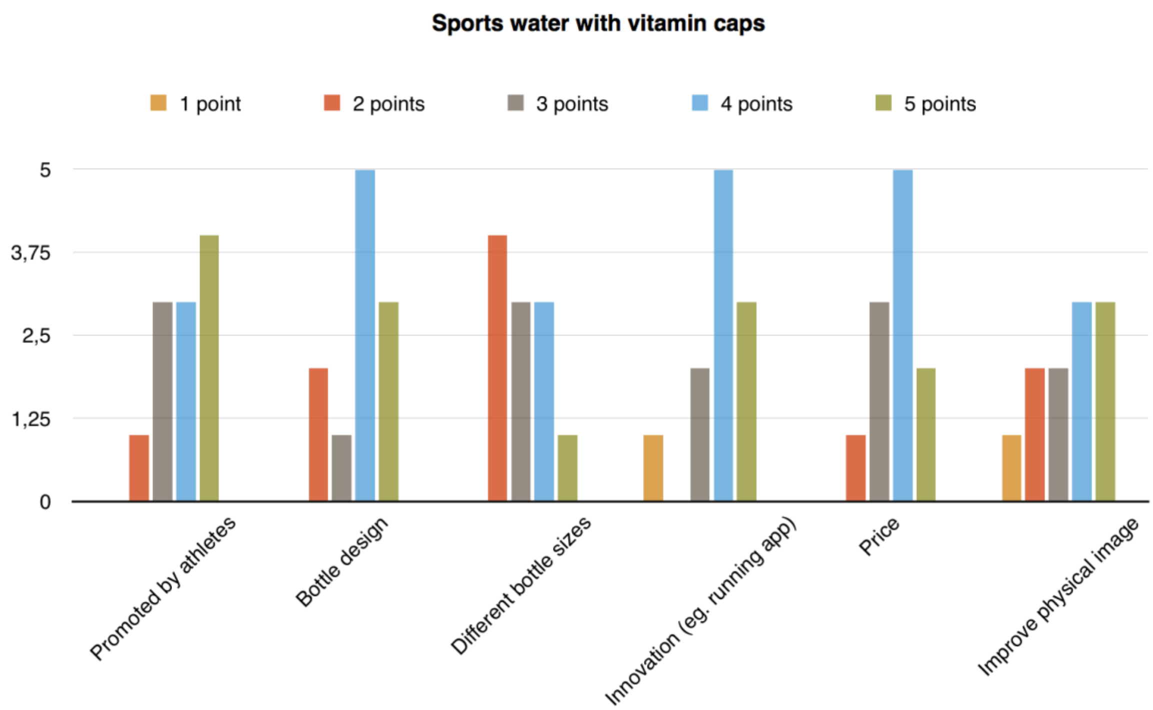
Product	50% recycled PET bottle (environmental sustainability)	Sustainable Beauty water	Sustainable Beauty water with vitamin caps	Sports water with vitamin caps	3l bottle with a tap (convenience purpose)
Too cheap	0.16€ - 0.70€ (x̄= 0.32€)	0.2€ - 2€ (x̄= 0.55€)	0.22€ - 2€ (x̄= 0.7€)	0.3€ - 1.1€ (x̄= 0.64€)	0.5€ - 1.3€ (x̄= 0.96€)
Expected price	0.2€ - 1.5€ (x̄= 0.63€)	0.22€ - 4€ (x̄= 1.2€)	0.25€ - 4.5€ (x̄= 1.38€)	0.85€ - 2€ (x̄= 1.41€)	1.2€ - 2.7€ (x̄=1.76€)
Too expensive	0.25€ - 3€ (x̄= 1.02€)	0.26€ - 5€ (x̄=1.54€)	0.3€ - 6€ (x̄= 2€)	0.75€ - 3.5€ (x̄= 1.9€)	1.3€ - 5€ (x̄= 2.41€)

Exhibit 28.3.2 - Factors Valuation





Sustainable Beauty water
1 point
2 points
3 points
4 points
5 points
7
5,25
3,5
1,75
0
Improve physical image
Price
Bottle Design
Brand
Different bottle sizes
Specific Characteristics added (eg. vitamins)
Promoted by beauty experts



Sports water with vitamin caps
1 point
2 points
3 points
4 points
5 points
5
3,75
2,5
1,25
0
Promoted by athletes
Bottle design
Different bottle sizes
Innovation (eg. running app)
Price
Improve physical image

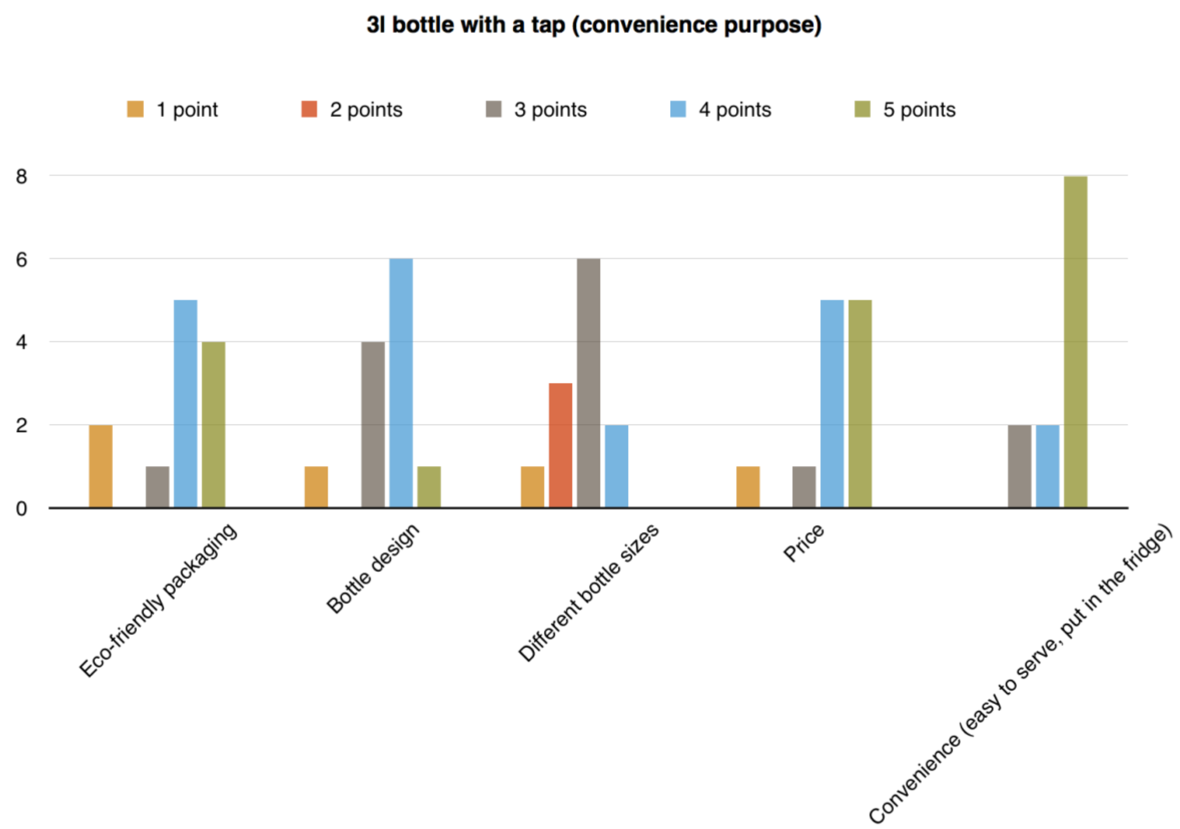

3l bottle with a tap (convenience purpose)
1 point
2 points
3 points
4 points
5 points
8
6
4
2
0
Eco-friendly packaging
Bottle design
Different bottle sizes
Price
Convenience (easy to serve, put in the fridge)

Exhibit 29: Current Brand Identity

Exhibit 29.1 - Vitalis Brand Identity

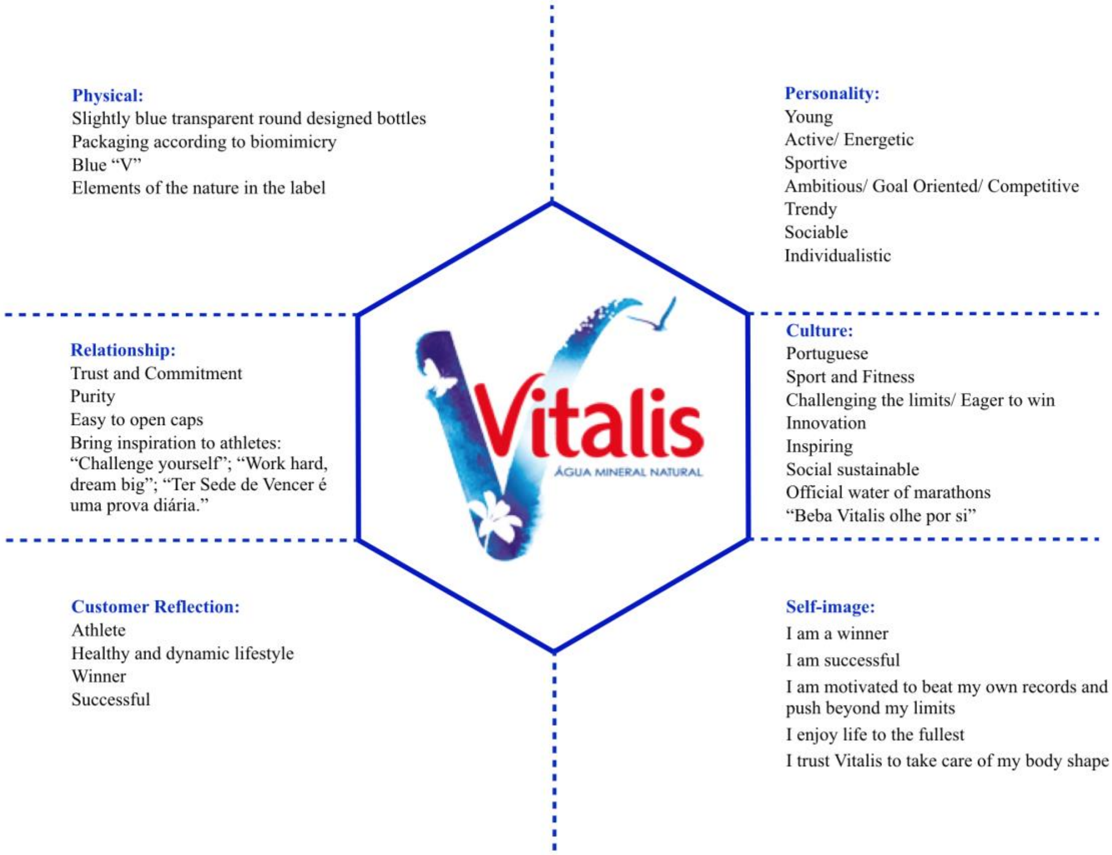


Exhibit 29.2 - Caramulo Brand Identity

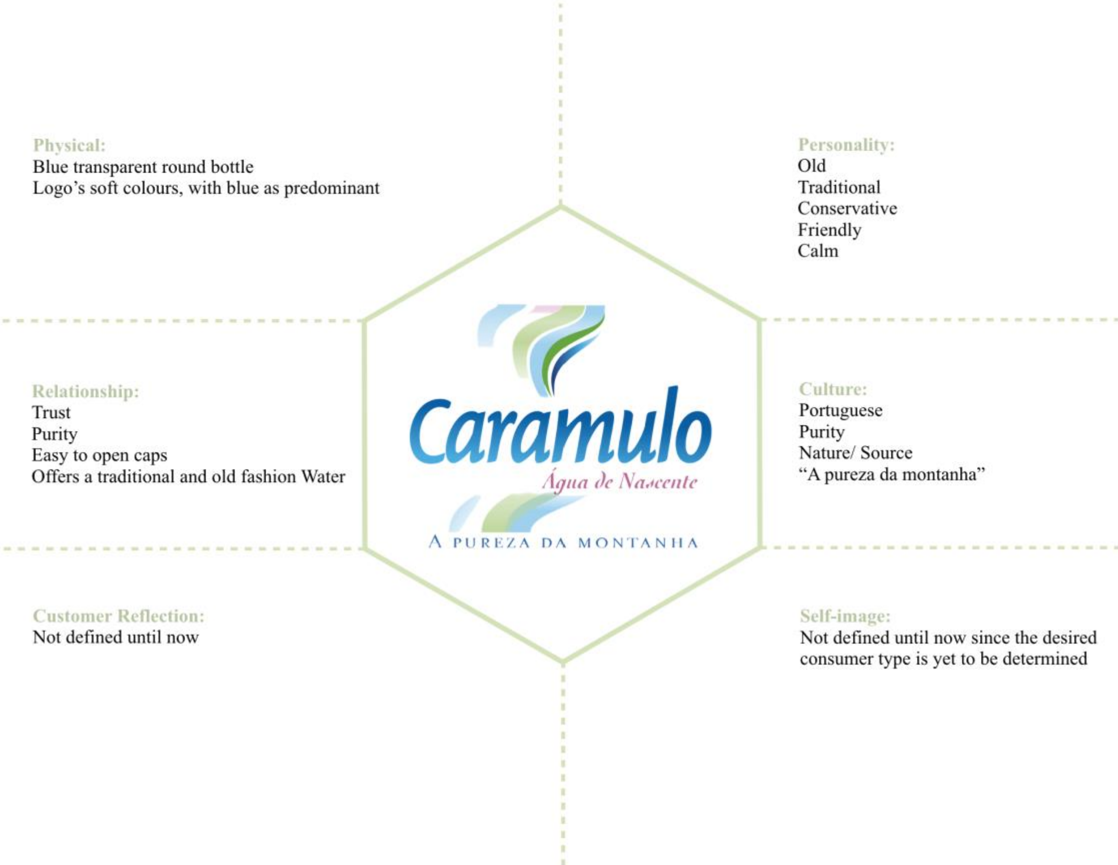


Exhibit 30: STP

Exhibit 30.1 - Segmentation of the Still Water Market

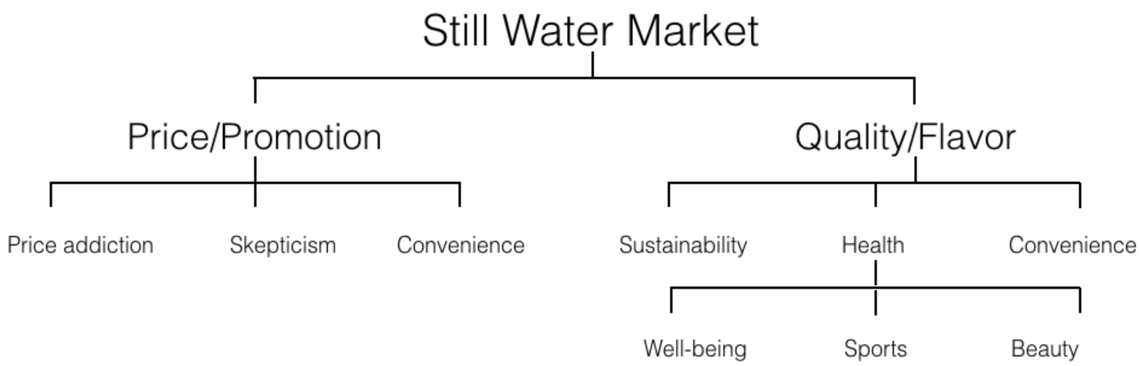


Exhibit 30.2 - Description of the still water segments

Segments / Personas	**Description**			
	WHO (Demographics and Psychographics)		**WHAT** (Purchase Behaviour)	**WHY** (Benefits sought)
The Sustainability Advocates	More women than men Younger than 35 years old	More active in searching information about the impact of brands and include in their daily routine environmental and social sustainability habits	Are less price sensitive and seem willing to pay more for the segment's products if they feel the impact of brands	Sustainability Impact ; Quality ; Convenience, which is variable regarding mood or occasion; Variety of Bottle size and Sustainability packaging
The Beauty Queens	More women than men Mixed age groups	Are concerned about a healthy and beautiful appearance as part of a healthy lifestyle and include in their daily routine several beauty habits, especially with hair, face/skin and nails	Are less price sensitive and seem willing to pay more for the segment's products	Functional benefits related to beauty; Convenience, which is variable regarding mood or occasion; Sustainability packaging
The Skepticals	More men than women Younger than 35 years-old	Are distrustful of brands cannot believe first-hand in the claims brands make to differentiate themselves	Have a certain price sensitivity in what regards this category because they cannot perceive added benefits	Convenience, which is variable regarding mood or occasion
The Number One*	More men than women Seem to be mixed age groups	Are concerned about their physical appearance and are performance seekers	Are less price sensitive and seem willing to pay more for the segment's products	Success; Motivation; Hydration; Functional benefits related to sports; Convenience, which is variable regarding mood or occasion
The Scrooges	More men than women Younger than 26 years-old	Are concerned about price and promotions and seek for the best low cost alternative	Are very price sensitive regarding the category and are not willing to pay more	Low price and Promotions ; Convenience, which is variable regarding mood or occasion if it does not mean a higher price
Mary, **The Family-Type***1	Women and men Mixed age groups (both the parents and children)	Are family-oriented and are concerned about managing the different family needs	Seem to be less price sensitive and seem willing to pay more for the segment's products	Safeness; Trust; Variety ; Convenience, which is variable regarding mood or occasion
The Wellbeing Gurus*1	More women than men Mixed age groups	Seem to be more mindful about their health and a healthy diet and seem to seek information about these issues from experts	Are less price sensitive and seem willing to pay more for the segment's products	Hydration; seem to seek No-calories; seem to seek for pH; Properties/Functional benefits related to health; Convenience, which is variable regarding mood or occasion

*The description of the segments was based on information retrieved from the primary data (please see individual report on positioning), as well as from the positioning of Vitalis, presented in the Kick-off meeting presentation provided by the company to complement the description of the segment

*1 Some information not retrieved from the primary data was retrieved from the global trends insights compiled in the market research chapter

*2 Retrieved from Consumer Lifestyles in Portugal, Euromonitor International

Exhibit 30.3 - Evaluation of the segments

Segments / Personas	Evaluation of the segments						Total
	Segment Characteristics	Score	Competition	Score	Company Fit	Score	
The Sustainability Advocates	The majority of category users are concerned about sustainability issues and are willing to pay more for an environmental and social sustainable packaging, which led to an estimate of the segment size (value) that corresponds to 22% of the total still water market. The segment can lead to higher profitability due to the possibility of high margins.	5	Several brands (Luso, Serra da Estrela, Vitalis) have associated themselves with social/environmental causes, however only Serra da Estrela has communicated a packaging more eco-friendly (25% recycled PET).	4	Sustainability is integrated in the strategy of SBG, composed by several pillars namely one regarding local community and environmental sustainability. However, the firm has a relatively low experience in sustainable packaging.	4	13
The Beauty Queens	About 30% of category users are willing to buy beauty water of which around 75% are willing or may be willing to pay more for the segments products which led to an estimate of the segment size (value) of 25% of the total still water market. Since has almost no players in the market it has a high growth potential and can have high profitability due to high margins.	4	There is only one brand in the still water market positioned as a beauty water, Healsi, which still has limited distribution and was recently taken out of the market due to illegal claims.	4	SBG has a great advantage with Caramulo faced with other competitors in what regards its high levels of Silica (3rd highest in the portuguese market), and it had previous experience with launching a beauty water associated product with Vitalis SKIN.	4	12
The Skepticals	To estimate its value, data from the quantitative research was used regarding the percentage of respondents who were not willing to pay more due to lack of trust in brands and/or products (25%), which led to an estimate of value of the segment which represents 3% of the still water marker. The segment has a high price sensitivity which may cause low profitability due to decrease in margins.	2	Both manufacturer and private labels may cover this segment with their basic offerings.	2	SBG focuses on brands who can bring added value to the consumer and does not aim to compete in low cost segment.	2	6
The Number One	To estimate its value it was considered the value of Vitalis, Luso Frutas and Vimeiro which represent around 15% of the still water market. The segment seems willing to pay more for products which meet their needs. High profitability due to possibility of high margins.	4	Several manufacturer brands in the market offer sports caps/formats (Luso, Fastio, Vitalis). Luso has also been associated with sports events such as Luso Fruta Power On.	3	SBG already has the expertise in regards to sports as Vitalis is already present in this segment, and is the official sponsor of marathons and the portuguese paralympic team	5	12
The Scrooges	The majority of consumers (exhibit 1.9) care the most about price. To estimate its value it was considered the value of MDDs and Caldas de Penacova which represent around 32%. Profitability is low due to the high competition (high number of players in the market) and low margins.	3	Several retailers offer private labels that compete exclusively on price (Continente, Pingo Doce, Auchan, etc). Also, Caldas de Penacova also positions itself in this segment and has been gaining market share.	1	SBG focuses on brands who can bring added value to the consumer and does not aim to compete in low cost segment.	1	5
The Family-Types*	The segment is connected to the health and wellness trend which is one of the biggest consumer trends in portugal. To estimate its value it was consider the current value of Luso, Fastio, Aquarel and Evian which represents around 27% of the market. High profitability to the segment size and high margins.	5	Luso, the market leader in the still water category in Portugal, is focused on this segment with a broad offering that focuses both on parents and kids (Luso Kids).	2	SBG already offers diverse packaging and sizes that can be suitable to attract the segment's need however marketing has not focused on the segment before.	3	10
The Wellbeing Gurus*	To estimate its value it was consider the current value of Luso, Luso Frutas, Vitalis Sabores and Monchique which represents around 12% of the still water market. However, the health and wellness trend is one of the biggest consumer trends in portugal with a very high growth potential. High profitability to the segment size and high margins.	5	Several brands have a product offering targeting this segment namely Monchique, Luso Frutas and Luso.	2	SBG has already some experience in the segment with flavored functional waters with Vitalis	4	11

The analysis of two of the variables: the segment characteristics and the competition, was summarized in the matrix below:

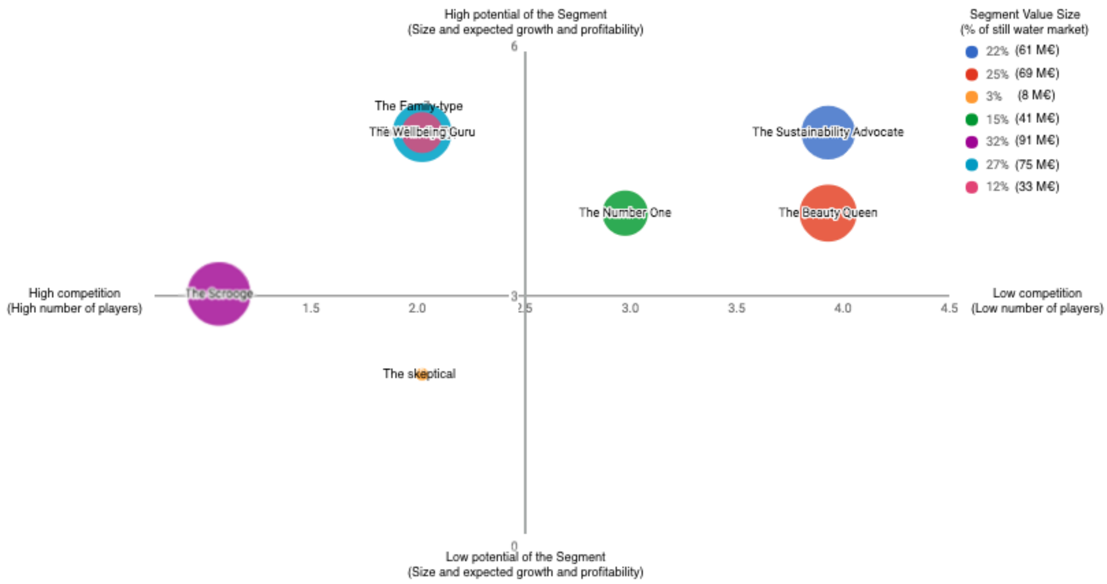


Exhibit 30.4 - Current Brand Positionings

Caramulo

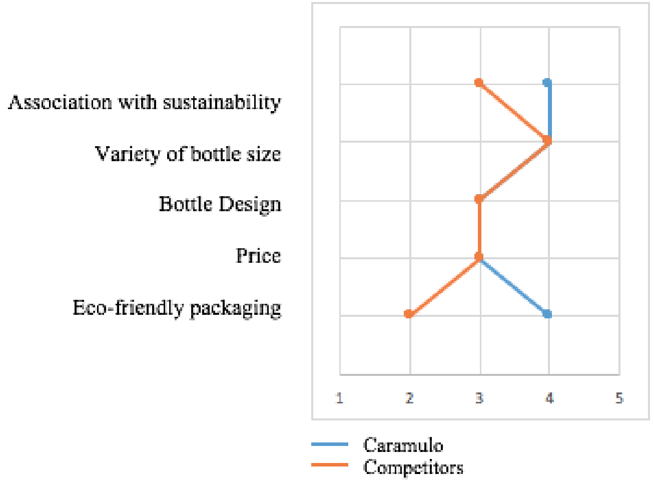
To consumers who seek purity, freshness and lightness [Target] **Caramulo** is a natural spring water [Frame of Reference] that **offers** a trustful water source [POD] **because (1)** it has a lightly-mineralized composition and **(2)** it comes from Caramulo where the nature in the region is well protected [Reasons to Believe].

Vitalis

To status achievers who are competitive by nature and seek both success in their personal and professional lives, are sports enthusiasts and individualistic [Target] **Vitalis** is a natural mineral water [Frame of Reference] that **offers** a pure source of hydration, energy and motivation [POD] **because (1)** is the best source of hydration for athletes and **(2)** it supports athletes achieve their goals: official marathon water sponsor; official paralympics water sponsor [Reasons to Believe].

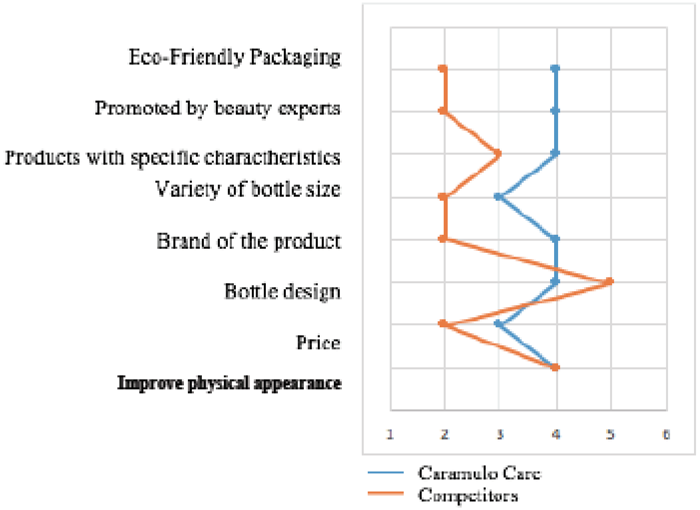
Exhibit 30.5 - Attribute Maps

Caramulo



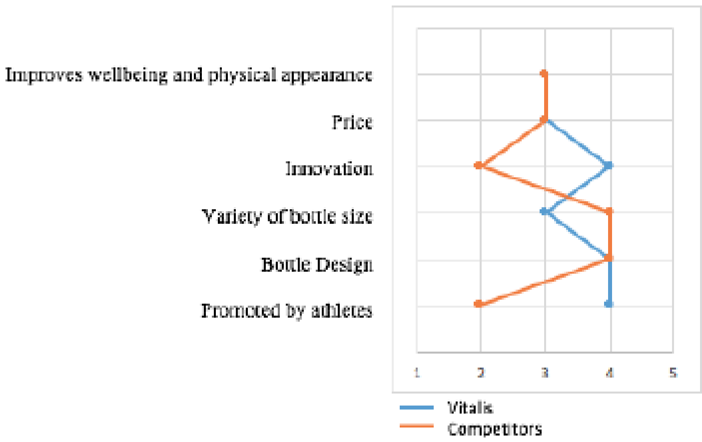
Considering as competitors the brand Serra da Estrela, Luso and Earth.

Caramulo Care



Considering as competitors the brand Healsi.

Vitalis

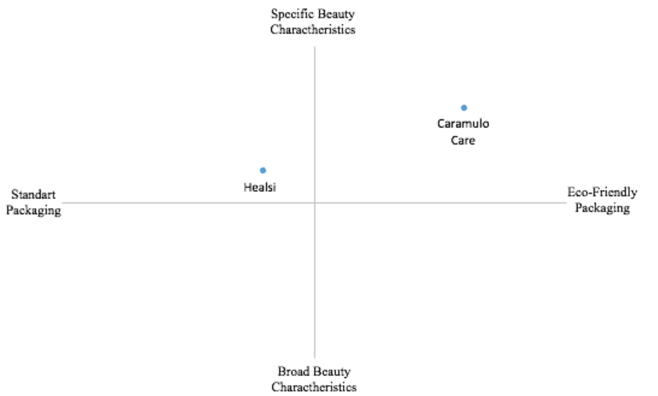


Considering as competitors the brands Luso, Luso Fruta and Monchique.

Exhibit 30.6 - Positioning Maps

Caramulo

Caramulo Care



Vitalis

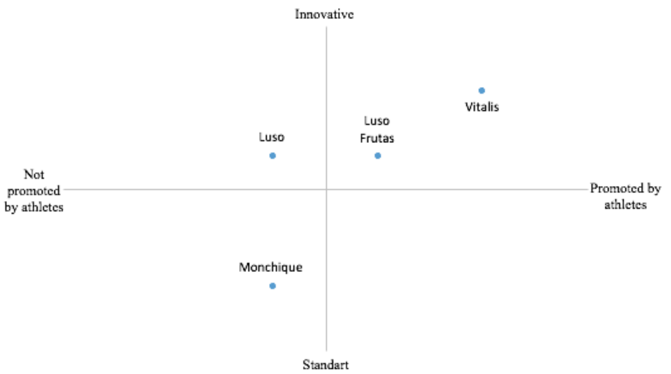


Exhibit 30.7 - Laddering

	Caramulo
Brand Essence	Enhance the quality of life for everyone
Emotional Benefit	Feeling good about doing good for the planet
Functional Benefit	More sustainable packaging
Attribute(s)	50% rPET packaging

	Caramulo Care
Brand Essence	Enhances the enjoyment of life by being the best version of oneself
Emotional Benefit	Feeling good and confident
Functional Benefit	Improves health of hair, nails and skin
Attribute(s)	High amounts of silics, 50% rPET packaging

	Vitalis
Brand Essence	Uplifts success and motivation: daring to be the best
Emotional Benefit	Feel inspired and motivated
Functional Benefit	Have a better workout and quicker recovery
Attribute(s)	Hydration, Vitamins, Innovation

Exhibit 31: New Brand Identity

Exhibit 31.1 - Vitalis New Brand Identity

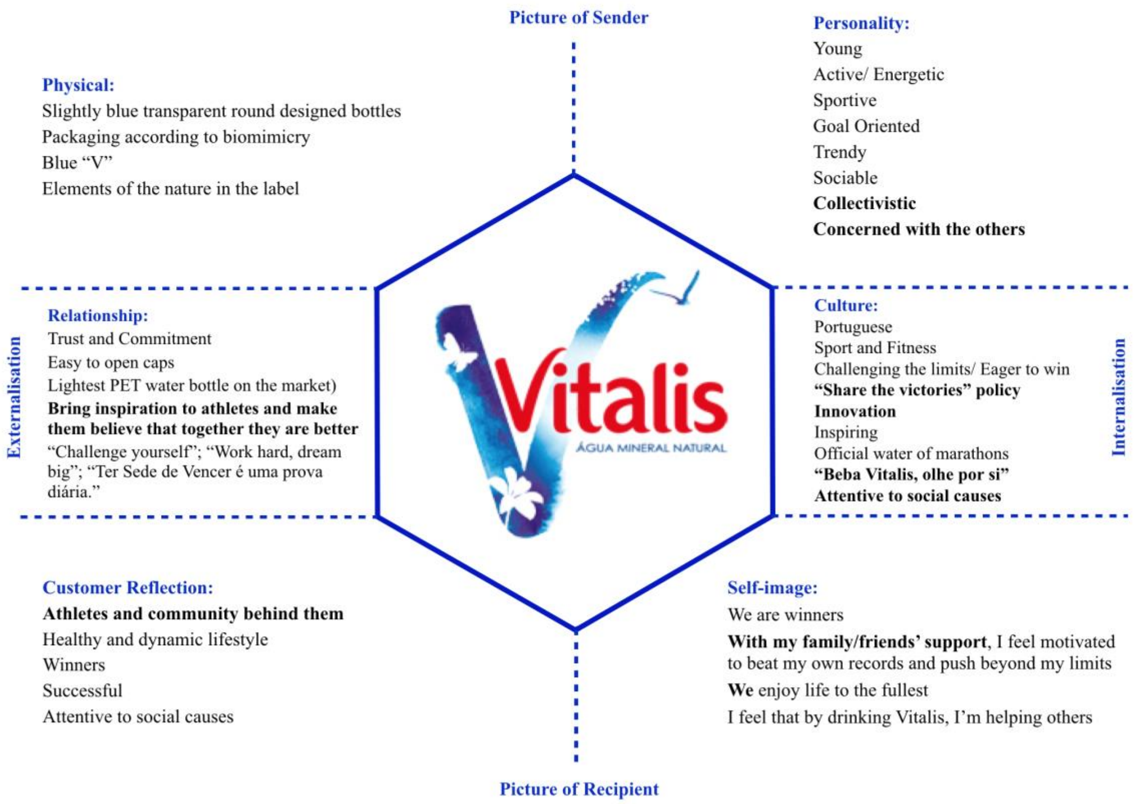


Exhibit 31.2 - Caramulo New Brand Identity

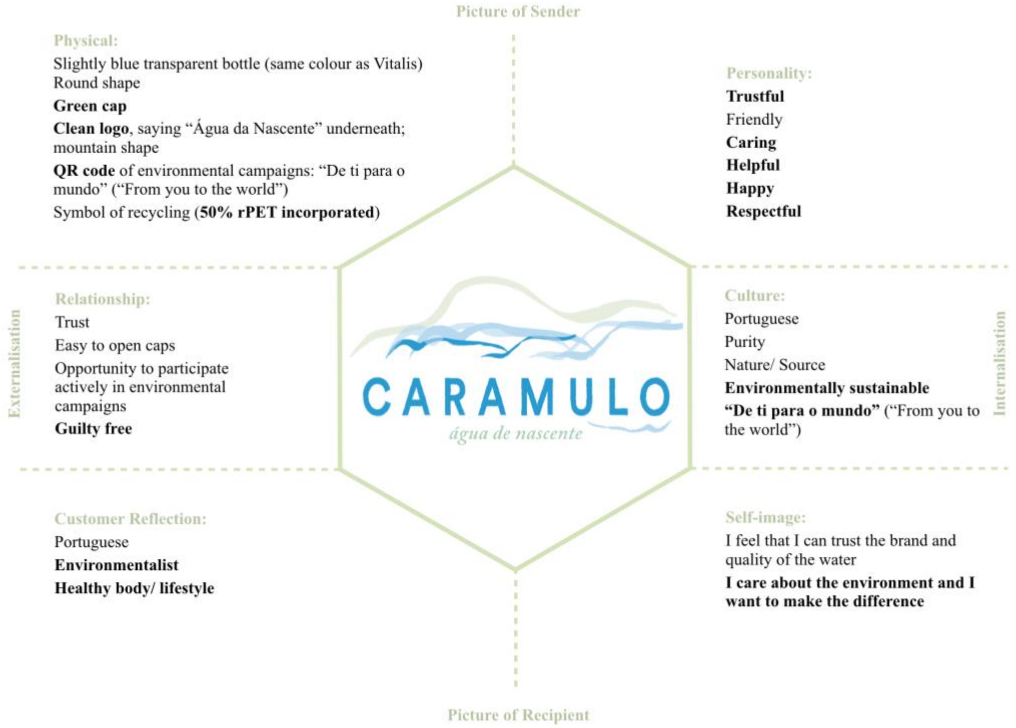


Exhibit 31.3 - Caramulo Care Brand Identity

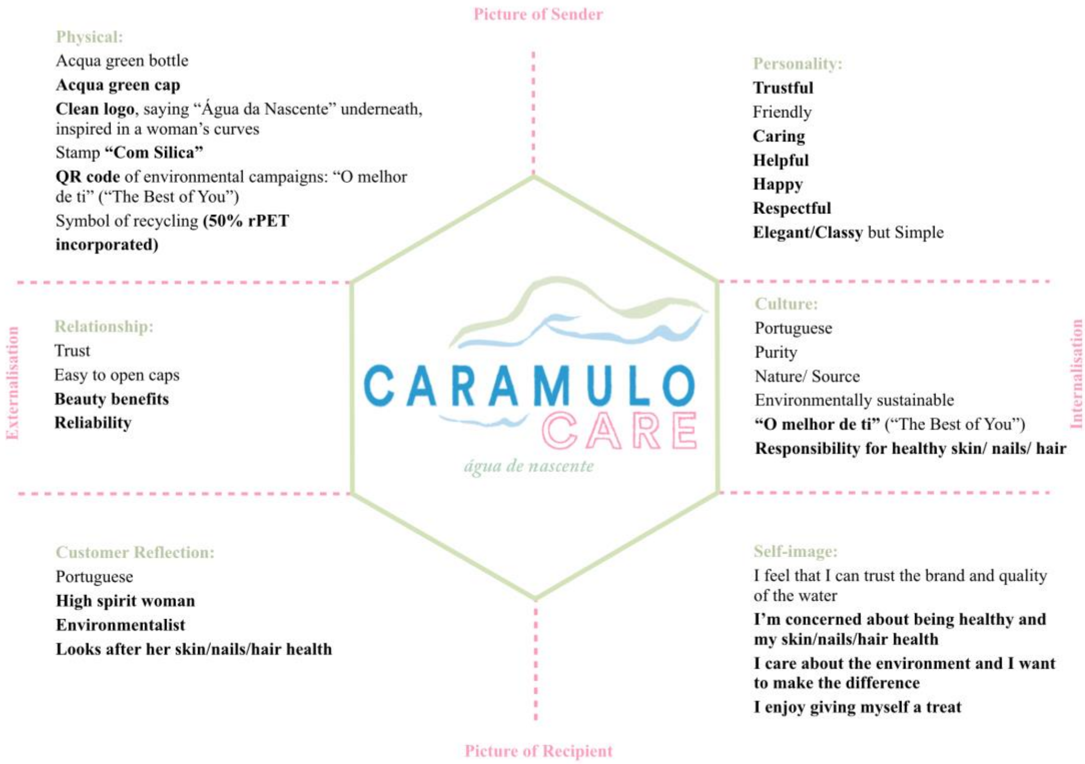


Exhibit 32: Brand Architecture

Exhibit 32.1 - House of Brands

Exhibit 32.2 - Brand Hierarchy Tree

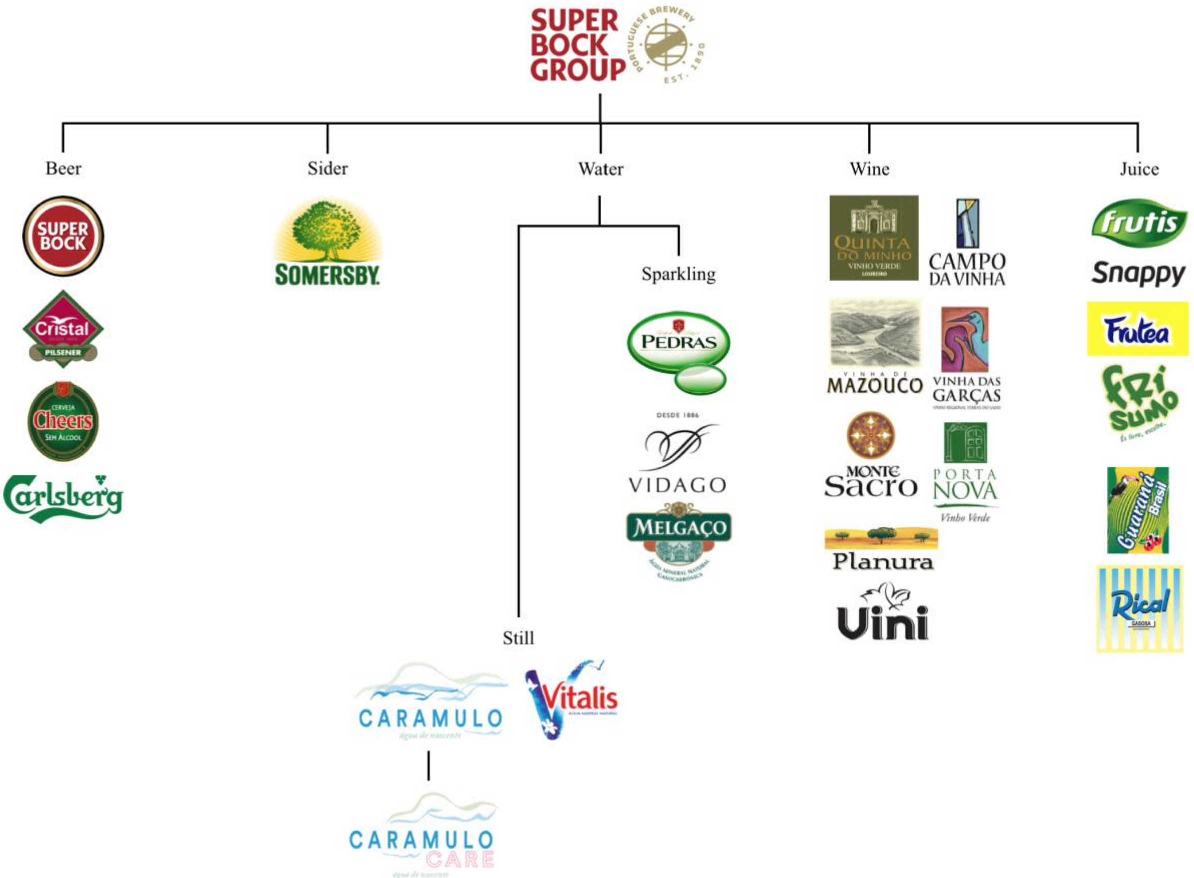


Exhibit 33: Caramulo Product Design Manual

DESIGN MANUAL FOR CARAMULO

BRAND WITH ENVIRONMENTAL PURPOSE

PACKAGING

- **BOTTLE:**
  - Simple
  - Resistant bottle, 50% of rPET incorporated
- **CAP:**
  - Green colour, to be associated with environmental causes

LABEL

- **WHAT APPEARS TWICE (for the case of 1,5L/3L/7L bottles; otherwise everything appears only once):**
  - **BACKGROUND:** Green Colour
  - **LOGO:**
    - Very present on the label
    - "Caramulo" - font and colour according to the brand identity
    - Mountain shape (inspiration) in the background to make justice to the highly pure and respectful brand
  - **CLAIM:** "Água de Nascente" written underneath the logo
  - **SLOGAN:** "De ti para o mundo"

- **WHAT APPEARS ONCE:**
  - **QR CODE:** to link to the brand's website and track the environmental campaign that is being supported
  - **STAMP:** "Garrafa com **50%** PET reciclado" with the recycling symbol (eg.)
  - **LEGAL CONTENT:**
    - Bar code
    - "Proteger da luz, calor e odores fortes" *(portuguese/ english/ french/ german)*
    - "Consumir de preferência antes do fim de [ver inscrição na garrafa]" *(portuguese/ english/ french/ german)*
    - format (eg: e1,5l / e0,5l)
    - Super Bock Group symbol + "Super bock Group, S.A. - Leça do Balio, Portugal" + "www.superbock.pt"
    - "Comunicação consumidor 808 222 100" *(portuguese/ english)*
    - discreet recycling symbol: "Ecoponto Amarelo"
    - Chemical composition (portuguese/ english/ french/ german):

Bicarbonato/Bicarbonates/Bikarbonat (HCO_3^-)	26,6
Cloreto/Chloride/Chlorures/Chlorid (Cl^-)	5,2
Nitrato/Nitrates/Nitrat (NO_3^-)	1,0
Cálcio/Calcium/Kalzium (Ca^{2+})	2,7
Sódio/Sodium/Natrium (Na^+)	11,3
Magnésio/Magnesium/Magnésium (Mg^{2+})	1,7
Sílica/Silica/Silice/Kieselerde (SiO_2)	28
Mineralização total/Minéralisation totale Total mineralization/Insgesamt mineralisierung	86
pH	6,5

Boletim nº 005/H/2013 do LNEG

- it can also be showed as Serra da Estrela does (which may be a good idea because the silica stands out here)

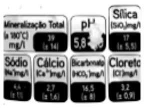


Exhibit 34: Caramulo Packaging


CARAMULO
água de nascente
Para um mundo melhor

CARAMULO
água de nascente
Para um mundo melhor

CARAMULO
água de nascente
Garrafa com 50%PET reciclado
Para um mundo melhor
6 x 0,5 L

3L
CARAMULO
água de nascente
Para um mundo melhor

Exhibit 35: Aqua Green Pantone

AQUA
0921 C

Exhibit 36: Caramulo Care Product Design Manual

DESIGN MANUAL FOR CARAMULO CARE

BEAUTY BRAND WITH ENVIRONMENTAL PURPOSE

PACKAGING

- **BOTTLE:**
  - Classy/**elegant** but simple (keep some lines from Caramulo, the parent brand, and create others more elegant that stand out)
  - Acqua Green colour
  - Resistant bottle, 50% of rPET incorporated
- **CAP:**
  - Acqua Green colour, to be associated with women and beauty

LABEL

- **WHAT APPEARS TWICE (for the case of 1,5L/3L/7L bottles; otherwise everything appears only once):**
  - **BACKGROUND:** Silver Colour
  - **LOGO:**
    - Very present on the label
    - "Caramulo Care" - *font* and colour according to the brand identity
    - The word Care should be pink, to be associated with women
    - Background image inspired by Caramulo's image (parent brand), also resembling a woman curves
  - **CLAIM:** "Água de Nascente" written underneath the logo
  - **SLOGAN:** "O melhor de ti"
  - **STAMP:** Put visible next to the logo saying that it contains silica ("Contém Sílica")

- **WHAT APPEARS ONCE:**
  - **QR CODE:** to link to the brand's website and track the campaign that is being supported and **explain the benefits of Silica**
  - **STAMP:** "Garrafa com 50% PET reciclado" with the recycling symbol (eg.)
  - **LEGAL CONTENT:**
    - Bar code
    - "Proteger da luz, calor e odores fortes" *(portuguese/ english/ french/ german)*
    - "Consumir de preferência antes do fim de [ver inscrição na garrafa]" *(portuguese/ english/ french/ german)*
    - format (eg: e1,5l / e0,5l)
    - Super Bock Group symbol + "Super bock Group, S.A. - Leça do Balio, Portugal" + "www.superbock.pt"
    - "Comunicação consumidor 808 222 100" *(portuguese/ english)*
    - discreet recycling symbol: "Ecoponto Amarelo"
    - Chemical composition (portuguese/ english/ french/ german):

Bicarbonato/Bicarbonates/Bikarbonat (HCO_3^-)	26,6
Cloreto/Chloride/Chlorures/Chlorid (Cl^-)	5,2
Nitrato/Nitrates/Nitrat (NO_3^-)	1,0
Cálcio/Calcium/Kalzium (Ca^{2+})	2,7
Sódio/Sodium/Natrium (Na^+)	11,3
Magnésio/Magnesium/Magnésium (Mg^{2+})	1,7
Silica/Silica/Silice/Kieselerde (SiO_2)	28
Mineralização total/Minéralisation totale Total mineralization/Insgesamt mineralisierung	86
pH	6,5

Boletim nº 005/H/2013 do LNEG

- it can also be showed as Serra da Estrela does (which may be a good idea because the silica stands out here)

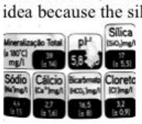


Exhibit 37: Caramulo Care Packaging

Exhibit 38: Product

Exhibit 38.1 - Product launches

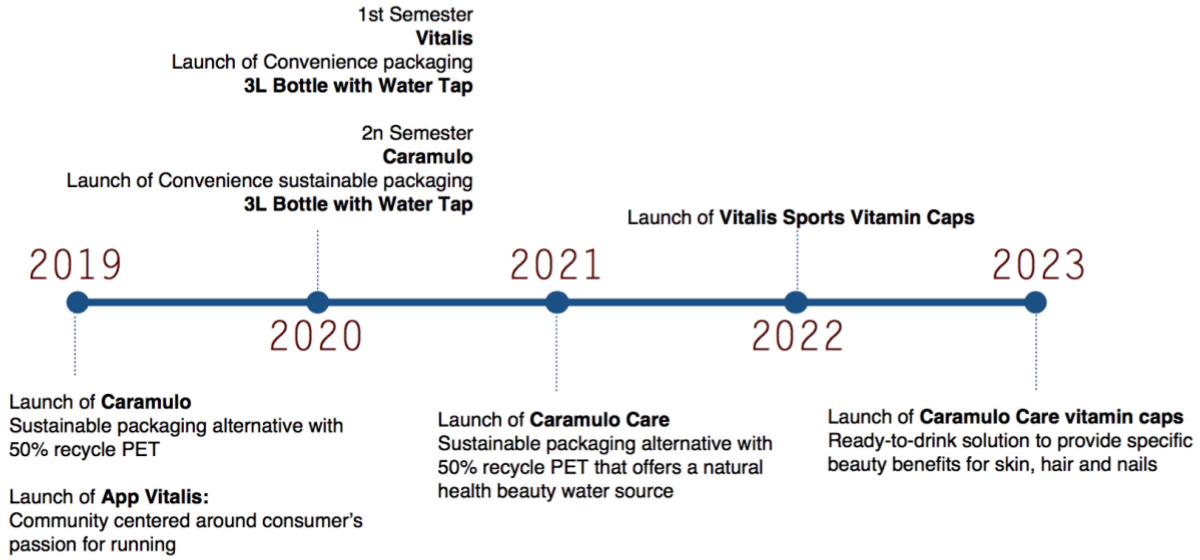


Exhibit 38.2 - Product Mix Breadth and Product Line Depth

	Product Mix Breadth					
	Water	**Beer**	**Sider**	**Sodas**	**Wine**	**Sangria**
Product Line Depth	Vitalis	Super Bock	Sommersby	Fructis	Quinta do Minho	Vini
	Caramulo	Cheers		Snappy	Porta Nova	
	Caramulo Care	Cristal		Frisumo	Campo da Vinha	
	Sete Fontes	Carlsberg		Frutea	Vinha das Garças	
	Água das Pedras	Super Bock Seleção 1927		Rical	Planura	
	Melgaço			Guarana Brasil	Monse Sacro	
	Vidago				Tulipa	
	Vitalis Sabores				Vinha de Mazouco	

Exhibit 38.3 - SKUs Caramulo: On-trade and Off-trade

	SKUs Caramulo					
	Off-Trade					
Year	330 ml	500 ml	1500 ml	3000 ml with water cap	6000 ml	
0						
1	x	x	x		x	
2						
3				x		
4						
5						
	On-trade					
Year	330 ml (traditional)	500 ml (traditional)	1500 ml (traditional)	330 ml	500 ml	1500 ml
0						
1	x	x	x	x	x	x
2						
3						
4						
5						

Exhibit 38.4 - SKUs Caramulo Care: On-trade and Off-trade

	SKUs Caramulo Care					
	Off-trade					
Year	330 ml	500 ml	Vitamin caps (Hair) 500 ml	Vitamin caps (Skin) 500 ml	Vitamin caps (Nails) 500 ml	1000 ml
0						
1						

2	x	x				x
3						
4			x	x	x	
5						

On-trade	
Year	330 ml
0	
1	
2	x
3	
4	
5	

Specialized Channels (Drugstores and Hairdressers)				
Year	330 ml	Vitamin caps (Hair) 500 ml	Vitamin caps (Skin) 500 ml	Vitamin caps (Nails) 500 ml
0				
1				
2	x			
3				
4		x	x	x
5				

Exhibit 39 - Role of each brand and respective SKUs, packaging sizes and channel

Off-trade		
Caramulo 50% rPET	0,33 litres	The same bigger packaging sizes were maintained (1,5L and 6L) and were introduced two new SKU's formats on-the-go (0,33L and 0,5) that were not present in this channel (except on SuperCOR). The main purpose was to serve people that look for individual formats on-the-go and own consumption and hence increase the brand distribution in off-trade channel. The bigger formats are for consumers who look for bigger quantities and purchase for household consumption. Besides, price per litre is cheaper, which means that bigger formats are also for price-sensitive consumers.
	0,5 litres	
	1,5 litres	
	6 litres	
	3 litres	It was also introduced a convenient packaging for people that seek for bigger formats to home-consumption and have some difficulty in serving water. This packaging is easy to store and to carry (since it is a lighter version of big-formats and thus easier to carry than 6L-packagins).
Caramulo Care	0,33 litres	New range of Caramulo focused on beauty and health care, in which was opted for smaller and on-the go formats for individualistic usage. The option of 1 litre bottle was motivated by the fact, found out by the qualitative and quantitative researches conducted, that people would buy less frequently this water.
	0,5 litres	
	1 litre	
Caramulo Care Vitamin Caps	0,5 litres	The 0,5L-packaging was the chosen one to incorporate the vitamin caps with benefits to hair, nails and skin, because this drink is for on-the go and for own consumption and the 0,33L was considered too small to that purpose. It will be available in off-trade because it is the channel that people more frequently use for on-the go consumption.
Vitalis Sport Vitamin Caps	0,75 litres	Since Vitalis was already focused in sports, and has already a SKU specifically designed to serve consumers that practice sports, this format was hence the chosen one to add the sport vitamin caps. This packaging size without the vitamin cap was already available in the main hyper and supermarkets and intends to serve consumers for own consumption.
Vitalis	3 litres	Vitalis will keep the same formats but will add an extra format to meet consumer's needs that seek for more easier ways to serve water, to store and to carry (since it is a lighter version of big-formats and thus easier to carry than 6L-packagins) for household consumption.

<table>
<tr><th colspan="3">On-trade</th></tr>
<tr><td rowspan="3">Caramulo 50% rPET</td><td>0,33 litres</td><td rowspan="3">The same formats of the current approach were preserved. The price to retail will be significantly higher, but will allow restaurants to reach higher margins than Caramulo Tradicional. It offers restaurants, that care about sustainability and are not price-sensitive, a new and better option, enable them to serve its clients with a range of eco-friendly bottled water. It will complement Vitalis to do its job and compete with Luso and more premium brands, and also with EAU (water focused on sustainability)</td></tr>
<tr><td>0,5 litres</td></tr>
<tr><td>1,5 litres</td></tr>
<tr><td>Caramulo Care</td><td>0,33 litres</td><td>Individual format that will serve people that seek a healthy lifestyle and are less price-sensitive, and will be available in health-focus restaurants. It will enable establishments and SBG to reach higher margins. In the first years, it will also contribute to create awareness and consequently generate demand in off-trade channel</td></tr>
<tr><td rowspan="3">Caramulo PET Tradicional</td><td>0,33 litres</td><td rowspan="3">The same formats of the current approach were preserved. It will serve the small restaurants and cafes who are price-sensitive and will not answer to arguments of higher quality. The price to retail is lower and recommended prices are also lower, since consumers that frequent this type of establishments are also price-sensitive. It will act as a fighting range in order to SBG do not lose the current position in the market.</td></tr>
<tr><td>0,5 litres</td></tr>
<tr><td>1,5 litres</td></tr>
<tr><th colspan="3">Specialized channels (Pharmacies and drugstores)</th></tr>
<tr><td>Caramulo Care</td><td>0,33 litres</td><td rowspan="3">Those are SKU's related to health and well-being, so they should be available in drugstores and pharmacies. It was not feasible to have all the SKU's so the smaller and individual formats of each brand (Caramulo Care 0,33L and 0,5L; Vitalis 0,75L) will be chosen to meet consumers' needs. These formats are for on-the-go consumption.</td></tr>
<tr><td>Caramulo Care Vitamin Caps</td><td>0,5 litres</td></tr>
<tr><td>Vitalis Sport Vitamin Caps</td><td>0,75 litres</td></tr>
</table>

Exhibit 40 - Calculations for TEV

	Caramulo 50% rPET	Caramulo 50% rPET	Caramulo 50% rPET	Caramulo 50% rPET	Caramulo Convinience Packaging	Vitalis Convinience Packaging
Specifications	0,33 litres	0,5 litres	1,5 litres	6 litres	3 litres	3 litres
Brand next-best alternative	Serra da Estrela (25% rPET)	Serra da Estrela (25% rPET)	Serra da Estrela (25% rPET)	Serra da Estrela (25% rPET)	Fastio Family 2,51	Fastio Family 2,51
Cost of next-best alternative	0.64€/L (€0.21)	0.64€/L (€0.32)	0.32€/L (€0.48)	0.25€/L (€1.49)	€1.04	€1.04
Performance differential	€0.25	€0.25	€0.25	€0.25	€0.60	€0.65
Reasoning for performance differential (new solution vs. next best-alternative)	more 25% of rPET, differentiated design, new brand image	more 25% of rPET, differentiated design, new brand image	more 25% of rPET, differentiated design, new brand image	more 25% of rPET, differentiated design, new brand image	innovative and differentiated product, appealing design, more quantity (+0,5L), convenient packaging that is easier to serve, eco-friendlier (50% rPET)	innovative and differentiated product, more quantity (+0,5L), convenient packaging that is easier to serve, appealing design, appreciated brand
TEV	€0.46	€0.57	€0.73	€1.75	€1.64	€1.69

	Caramulo Care	Caramulo Care	Caramulo Care	Caramulo Care Vitamin Cap	Vitalis Vitamin Cap
Specifications	0,33 litres	0,5 litres	1 litre	0,5 litres	0,75 litres
Brand next-best alternative	Juvamine Pele Cabelo Unhas (un.) + Caramulo	Juvamine Pele Cabelo Unhas (un.) + Caramulo	Juvamine Pele Cabelo Unhas (un.) + Caramulo	Caramulo Care + Prozis H2O Infusion (9g.)	Powerade 0,51
Cost of next-best alternative	0.27 + 0.26 = €0.53	0.27 + 0.35 = €0.62	0.27 + 0.70 = €0.97	1.00 + 0.38 = €1.38	€1.19
Performance differential	€0.60	€0.60	€0.60	€0.30	€0.35
Reasoning for performance differential (new solution vs. next best-alternative)	innovative and differentiated product, all-in-one solution, appealing design, new positioning (to people that care about their hair, skin and nails)	innovative and differentiated product, all-in-one solution, appealing design, new positioning (to people that care about their hair, skin and nails)	innovative and differentiated product, all-in-one solution, appealing design, new positioning (to people that care about their hair, skin and nails)	innovative and differentiated product, all-in-one solution, appealing design, better customer experience (twist, shake, drink)	healthier, better customer experience (twist, shake, drink), more quantity (+0,25L)
TEV	€1.13	€1.22	€1.57	€1.68	€1.54

Exhibit 41 - Recommended prices and margin set ups for off-trade channel, skimming pricing strategy

OFF-TRADE	SKIMMING PRICING STRATEGY				
	Care			Care vitamin cap	Vitalis vitamin cap
	0,331	0,51	11	0,51	0,751
TEV	1.13	1.22	1.57	1.68	1.54
PV	-	1.20	-	1.38	1.41
PVP	**0.70**	**1.00**	**1.25**	**1.30**	**1.35**
Price without VAT	0.58	0.88	1.11	1.15	1.19
Retail Margin	30%	30%	30%	30%	30%
VAT	13%	13%	13%	13%	13%
Price to retail	**0.40**	**0.62**	**0.77**	**0.81**	**0.84**
SBG Margin	**88%**	**88%**	**82%**	**85%**	**84%**
Sourcing costs	-	-	-	0.05	0.05
COGS	0.047	0.072	0.143	0.119	0.131

Exhibit 42 - Recommended prices and margin set ups for on-trade channel, neutral pricing strategy + penetration pricing strategy

HORECA	NEUTRAL PRICING STRATEGY				PENETRATION PRICING STRATEGY		
	Caramulo 50% rPET			Caramulo Care	Caramulo Tradicional		
	0,331	0,51	1,51	0,331	0,331	0,51	1,51
PVP	**1.20**	**1.40**	**1.70**	**1.30**	**0.85**	**1.00**	**1.35**
Price without VAT	1.06	1.24	1.50	1.15	0.75	0.88	1.19
On-trade Margin	81%	81%	81%	83%	80%	80%	80%
VAT	13%	13%	13%	13%	13%	13%	13%
Price to retail	**0.20**	**0.23**	**0.28**	**0.20**	**0.15**	**0.18**	**0.24**
SBG Margin	**76%**	**69%**	**23%**	**76%**	**76%**	**69%**	**31%**
COGS	0.047	0.072	0.215	0.047	0.036	0.055	0.165

Exhibit 43 - Recommended prices and margin set ups for specialised channels, skimming pricing strategy

DRUGSTORES AND PHARMACIES	SKIMMING PRICING STRATEGY		
	Care vitamin caps	Vitalis vitamin caps	Care
	0,51	0,751	0,331
PVP	**1.50**	**1.40**	**1.00**
Price without VAT	1.327	1.239	0.885
Specialized Channels Margin	65%	65%	65%
VAT	13%	13%	13%
Price to retail	**0.46**	**0.43**	**0.31**
SBG Margin	**76%**	**70%**	**86%**
Sourcing costs	0.05	0.05	-
COGS	0.113	0.131	0.044

Exhibit 44 - Channels

Exhibit 44.1 - Channel weight (value) and distribution

Vendas em Valor		Ano 2015	Ano 2016
UNICER	TOTAL PORTUGAL	40021570	40342570
	OFF-TRADE	9385900	10411981
	ON-TRADE	30635671	29930590
CARAMULO	TOTAL PORTUGAL	20261088	17964180
	OFF-TRADE	1889100	1727982
	ON-TRADE	18371988	16236198
VITALIS	TOTAL PORTUGAL	19760483	22074140
	OFF-TRADE	7496801	8392647
	ON-TRADE	12263682	13681493

Peso em Valor por Canal		Ano 2015	Ano 2016
UNICER	TOTAL PORTUGAL	100%	100%
	OFF-TRADE	23%	26%
	ON-TRADE	77%	74%
CARAMULO	TOTAL PORTUGAL	100%	100%
	OFF-TRADE	9%	10%
	ON-TRADE	91%	90%
VITALIS	TOTAL PORTUGAL	100%	100%
	OFF-TRADE	38%	38%
	ON-TRADE	62%	62%

	Weighted Distribution (2016)		
	On-trade	**Off-trade**	
		Hypers	Supers
Vitalis	19.70%	100%	100%
Vitalis Sabores	2.80%	95%	16%

Caramulo	30%	91%	30%
Luso	42.80%	100%	100%
Luso Fruta	12.80%	95%	99%

	Estimated Weighted Distribution (2023)			
		Off-trade		
	On-trade	Hypers	Supers	Specialized Channels
Vitalis	25%	100%	100%	
Vitalis Sabores	8%	95%	99%	
Vitalis Vitamin Caps		95%	99%	20%
Caramulo	35%	100%	75%	
Caramulo Care	10%	100%	75%	
Caramulo Care Vitamin caps		95%	75%	20%

Exhibit 44.2 - Channels structure: Off-trade and On-trade

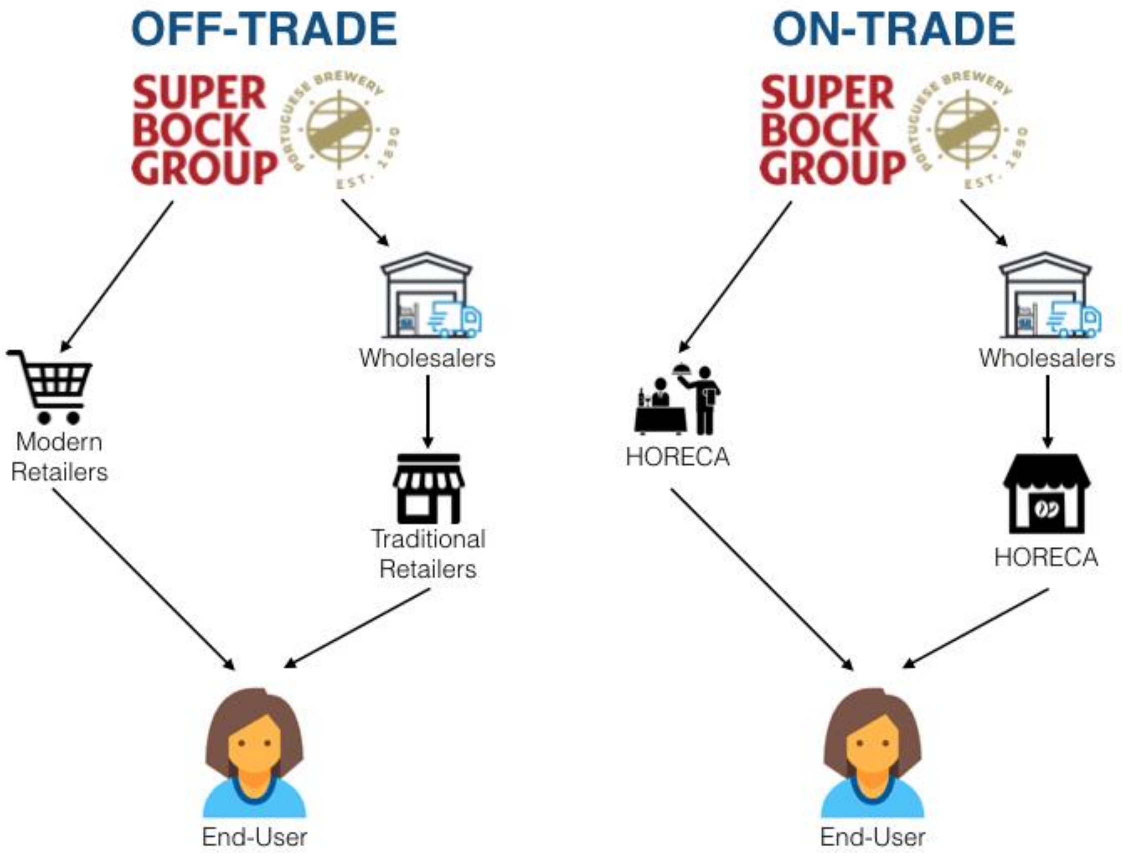


Exhibit 44.3 - Service Output Demand Differences of the still bottled water category

Service Output	At home-user	Service Output Level	On-the-go user	Service Output Level
Bulk breaking	I have enough room to stock up on more/bigger bottles of water, I will use them on a daily basis	Low	I would like a smaller size bottle with enough water to satisfy my thirst at the moment	High
Spatial Convenience	I want to be able to purchase the bottled water at any hypermarket and supermarket I go, even if I am willing to drive some distance to the supermarkets or hypermarkets in my area to shop	High	I want the most convenient purchase so I seek the most nearby retailer that is on my route so I can get in and out quickly	High
Waiting and delivery time	I have several bottles of water at home, so I don't need to rush to go to the store and buy more	Low	I need to buy a bottle of water right away because I feel thirsty and there is no water source nearby	High
Assortment and Variety	I need a bottle to take with me to the gym so I prefer a sports cap and normally I buy Vitalis	High	I need to buy a bottle of water right away so I am not to picky about the brand	Low
Service	I want a quick and efficient check-out but I don't require help choosing	Low	I want a quick and efficient check-out but I don't require help choosing	Low
Information	I know everything I need to make a decision about purchasing/I would like to gather some more information or seek the opinion of others about beauty waters	Low	I know everything I need to make a decision about purchasing	Low

Exhibit 44.4 - Marketing Flows in the Off-Trade and On-Trade Channels

OFF-TRADE CHANNEL		
Marketing Flow	**Cost Represented**	**Flow of Activity in the Channel**
Physical Possession and Ownership	Storage and delivery costs; Inventory carrying costs	Physical possession and ownership is first held by the Super Bock Group, where either the products are held in warehouses within the factories or are shipped to the group's array of retailers and wholesalers by logistic partners. Even though the logistic partners do not store the products, they hold physical possession during the process of transportation. Lastly, the physical possession and ownership is either done by retailers and wholesalers and it passes directly to end-consumer after purchase.

Promotion	Personal Selling, Advertising, Sales promotion, publicity, PR costs	For modern retailers, terms for promotions are agreed between the Key Account Managers and the several retailers at a centralized level, which means that the terms will be the same for a determined number of stores. Retailers themselves also have the power to do retailer promotions at their own terms.
Negotiation	Time and legal costs	Negotiations are done between the group and all the other channel members, namely retailers and logistic partners. Contracts vary significantly depending on the retailer itself, which gives this particular channel flow more uncertainty.
Financing	Credit terms	When it comes to financing, the credit terms will vary according to the different contracts negotiated in the previous flow mentioned. The end-user in this flow also plays an important part, as every time they purchase they are in a way financing the channel.
Risking	Warranties; After sale service costs	Bottled water has a relatively long expiration date, which makes it less riskier. Nonetheless, in case the product expires prior to being sold, the retailers or wholesalers will not be able to sell the product. The Super Bock Group invests highly in guaranteeing the best quality of the product and packaging that leave the factories, however there is a risk of damage that can occur before the product reaches the end-consumer, which is of the responsibility of the channel members who hold physical possession and ownership at the time of the damage, if it occurs. Usually the contracts with logistic partners already predict a certain amount of money to cover this damages. If the end-user notices any damage in the packaging, it can report it directly to the group, which will be held responsible.
Ordering and Payment	Order-processing costs; Collections	In the off-trade channel, the ordering process and payment is mostly processed through an technological system such as EDI.

ON-TRADE CHANNEL		
Marketing Flow	**Cost Represented**	**Flow of Activity in the Channel**

Physical Possession and Ownership	Storage and delivery costs; Inventory carrying costs	Similarly to the off-trade channel, physical possession and ownership is first held by the Super Bock Group, where either the products are held in warehouses within the factories or are shipped to the group's array of retailers and wholesalers by logistic partners. Even though the logistic partners do not store the products, they hold physical possession during the process of transportation. Lastly, the physical possession and ownership is either done by retailers and wholesalers and it passes directly to end-consumer after purchase or through smaller on-trade business owners and then it reaches the end-consumer.
Promotion	Personal Selling, Advertising, Sales promotion, publicity, PR costs	For the on-trade channel, terms for promotions are agreed between either the Key Account Managers of restaurant or hotel chains and the several stores/hotels at a centralized level, which means that the terms will be the same for a determined number of restaurants/hotels; or they are agreed between the sales representative and the owner of the establishment (cafe, restaurant, etc) directly.
Negotiation	Time and legal costs	Negotiations are done between the group and all the other channel members, namely the restaurant/hotel businesses and logistic partners. Contracts vary significantly depending on the businesses themselves, their sizes and relative importance, and they can be exclusive or non-exclusive.
Financing	Credit terms	When it comes to financing, the credit terms will vary according to the different sizes and relative importance of the establishments. The end-user in this flow also plays an important part, as every time they purchase they are in a way financing the channel.
Risking	Warranties; After sale service costs	Bottled water has a relatively long expiration date, which makes it less riskier. Nonetheless, in case the product expires prior to being sold, the products cannot be sold to the end-consumer. The Super Bock Group invests highly in guaranteeing the best quality of the product and packaging that leave the factories, however there is a risk of damage that can occur before the product reaches the end-consumer, which is of the responsibility of the channel members who holds physical possession and ownership at the time of the damage, if it occurs. If the end-user notices any damage in the packaging, it can report it directly to the group, which will be held responsible.

Ordering and Payment	Order-processing costs; Collections	On-trade clients can either order through an call-center service or directly with the sales representatives, which visits depend on the classification of their business, which depends on size and relative importance. These pay directly to the sales representatives or to the group's via bank payment.

Exhibit 44.5 - Gap Analysis

	Bulk breaking	Spatial Convenience	Waiting and delivery time	Assortment and Variety	Service	Information
On-trade	SOD = SOS	SOD = SOS	SOD = SOS	SOD > SOS	SOD = SOS	SOD > SOS
Off-trade	SOD = SOS	SOD > SOS	SOD = SOS	SOD > SOS	SOD = SOS	SOD > SOS

Exhibit 45: Communication Plan

Exhibit 45.1 - Marketing Objectives

Marketing costs	€14,248,670
Profit campaign	€18,105,487
ROI campaign	35.8%

Exhibit 45.2 - Vitalis target distribution

		OBS	FBS	BL
	Nunca	1-2 vezes por mes	3-4 vezes por mes	5 ou mais vezes por mes
Luso	160	249	84	49
Vitalis	257	208	48	29
Caramulo	370	142	26	4
Penacova	364	125	31	22
Monchique	340	116	54	32
Marcas brancas	163	208	91	80
Total	1654	1048	334	216

	OBLs	OBS	FBS	BL
Vitalis	47.42%	38.38%	8.86%	5.35%

Exhibit 45.3 - Behaviour Sequence Model Vitalis and Caramulo

	Need arousal	Information Search and evaluation	Purchase Decision	Usage
Who (roles)	• Peers (Decider, purchase, user, influencer) • Head of the family (decider, purchaser, user)	• Doctor, nutritionist, family and friends(influencers) • Peers (influencers)	• Head of the family (decider, purchase, user), • Peer (decider, purchaser, user)	• Peers (user)
Where (location)	• Restaurants and cafes • At home	• Point of purchase	• Retail physical store or online • Restaurants and cafes	• Home • cafes • Restaurants • Gym • When doing sport • workplace
When (timing)	• During weekly routine – People do their household purchase more less once a weak • When thirsty • During meals	• At point of purchase while shopping • When doctor or nutritionists recommend	• When shopping	• Throughout the day, when thirsty and when having meals
How (descript)	• At home need arises to replenish water • Out of home when thirsty	• Examining products at store/online (price, size, design) • Evaluating own preferences (brand recall)	• Based on previous purchase experiences • Compared what is offered at the point of purchase	• Home consumption • Out -of-home consumption

Exhibit 45.4 - Behaviour Sequence Model Caramulo Care

	Need arousal	Information Search and evaluation	Purchase Decision	Usage
Who (roles)	• Women (initiator, decider user and purchaser) • Partner (purchaser) • Pharmaceutical, doctor, friends, nutritionists, beauty experts (influencers)	• Women (initiator, decider, user, and purchaser)	• Head of the family (decider and purchaser) • Women (Decider and purchaser)	Women (user)
Where (location)	• At home • At Supermarkets • At pharmacies and drugstores	• When purchasing • Internet • In an appointment with a doctor, nutritionist or when at the pharmacy	• Home • At the store • Pharmacy	• Home • Workplace
When (timing)	• When shopping • At home	• At point of purchase while shopping • At pharmacy	• When shopping • At pharmacy	• As part of their beauty routine • Through the day, when thirsty
How (descript)	• At home need arises to replenish water • Need to drink beauty water as part of their beauty routine	• Examining products at store • Checking labels and claims • Checking internet site and the silica benefits • Influencers (	• Based on previous purchase experiences • Compared what is offered at the stores	• Home consumption • On-the-go consumption

Exhibit 45.5 - Communication Objectives

	Caramulo Care	Caramulo	Vitalis
Category need	Must be “sold” using category communication objectives;	Category need can be omitted	Category need can be omitted

Brand Awareness	Brand Recognition	Brand Recognition	Brand recognition
Brand attitude	Create Positive Brand Attitude (unaware target)	Modifying brand attitude	Increase brand attitude
Brand Purchase Intention	Generate Brand Action Intention	Generate brand action intention	Generate brand action intention
Brand Purchase facilitation	Incorporate Purchase facilitation content in the marcoms as appropriate	Omit purchase facilitation	Omit purchase facilitation

Exhibit 45.6 - Rossiter-Percy Grid

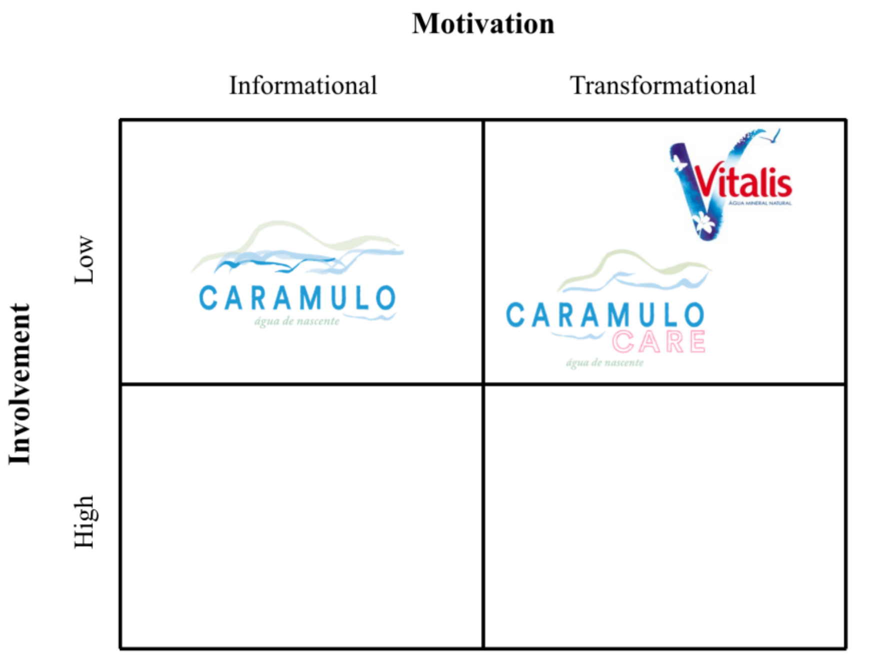


Exhibit 45.7 - IMC Vitalis

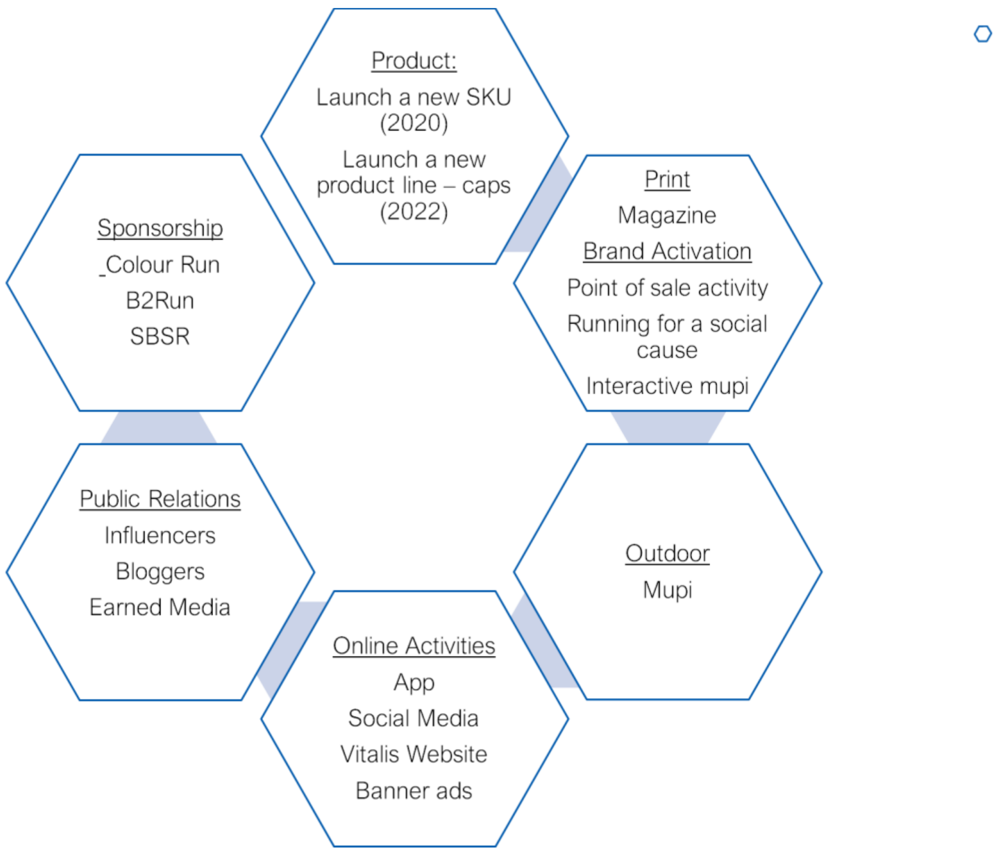


Exhibit 45.8 - IMC Caramulo

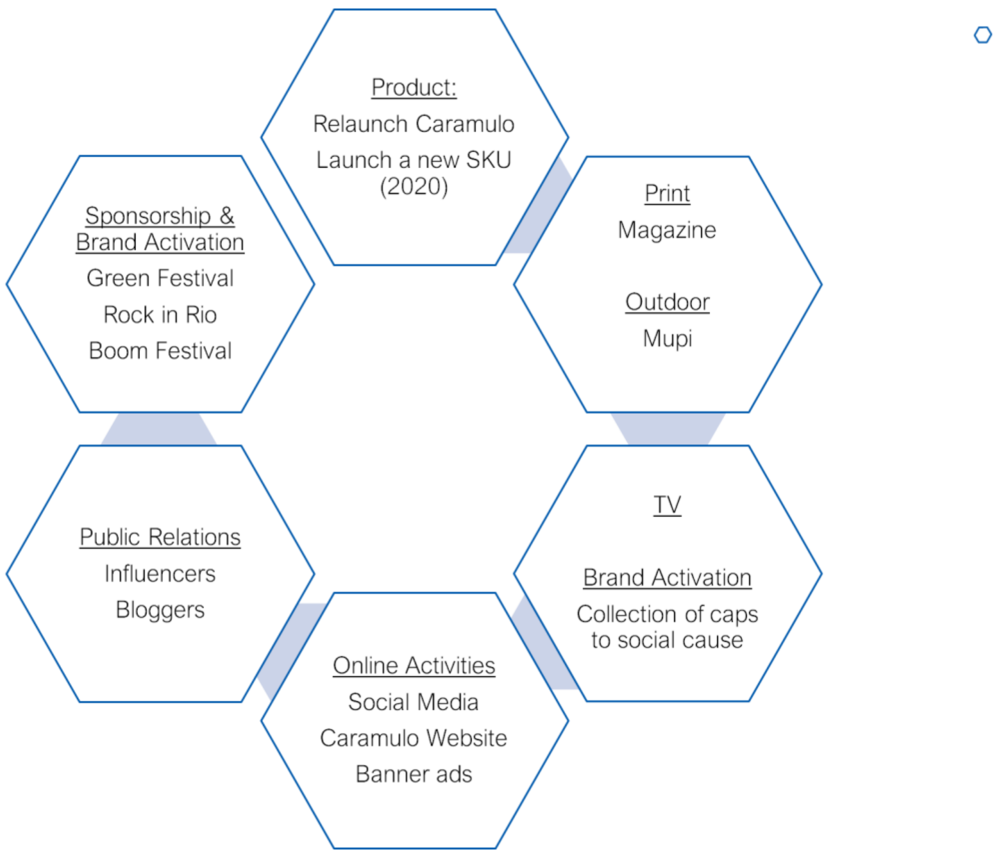


Exhibit 45.9 - IMC Caramulo Care

Exhibit 45.10 - Media Strategy Caramulo

	Description	Location	Objective
Primary Media			
TV	A 30 second commercial will be proposed, with the problem solution format mention in creative strategy and with the visual and colour content to further aid recognition. In terms of verbal content the brand should highlight its focus on sustainability by emphasizing that it has the eco-friendlier bottle.	The ad will pass in Sic & Tvi because it's one of the most view channels in Portugal according to ligateamedia.	Although it is the most expensive channel, Tv is one of the most important communication channels to tell the "story" of Caramulo, because Tv is capable of reaching the highest amount of audience, according to Viacom international Media networks. Tv will be used to increase Brand Recognition and a favourable brand attitude.
Sponsorship	Caramulo will have display stands in the events with promoters promoting games and activities related to sustainability, where the winners will win a key chains made with recyclable materials. In this	Caramulo will sponsor Green festival; Rock in Rio, Boom Festival, which are some of the most sustainable festivals. Therefore, the desire action is that consumers associate this festivals as sustainable and	By presenting Caramulo in a environment that the target audience consider favourable, the brand will beneficiate from an existing positive attitude towards the sponsored event (percy and Elliot). Therefore, sponsorship of events related to

	stands, caramulo water will be sell and it will be charged an extra price of 2€, which it will be deliver to consumers if they return the bottle water after drinking.	make immediately a link between the brands benefit and what is being sponsored. (Percy and Elliot)	sustainability will contribute to increase brand awareness and to create a positive brand attitude
Brand Activation	The caps used in waters will be collected in some hypermarkets and then Super bock group will be responsible to collect them and deliver to associação ponto verde. Associação ponto verde will convert the caps for money and then Super Bock Group will be responsible to deliver the money to help fighting deforestation (www.pontoverde.pt)	The boxes to deliver the caps will be placed in some Hypermarkets. The amount of money collect at the end of the year will be communicated in Facebook and instagram pages and the website of caramulo will have donation progress bar counter that will show how much money have been donated to deforestation until the moment	Increase brand awareness and reinforce the brand positioning, by creating a positive brand attitude.
Mupis	Show the products packaging and logo with its real colours and highlight the products benefits (50%rPet) (see appendix)	All over Portugal (360 approach) with 1050 faces	Increase brand awareness and create a positive brand attitude by highlighting the 50%rPet and by presenting the brand as sustainable,
Secondary Media			
Online Activities	Social media must integrated all the communication. Posts, videos and pictures will be upload regularly to maintain the customer informed and to increase the relationship with the customers. The website must be appealing and include the brand's values, brands history and the complete portfolio in a clear and simple way for consumers to understand the concept of the brand. The banners will show the product and logo and highlight the product benefit. Additionally the banners will have a link that will direct consumers to continent online.	Facebook, instagram and a website for caramulo must be created. Banner ads will be post in website related to sustainability such as the blog Goingzerowaste	Internet will be used to stimulate brand users, lovers and advocated to share their interest for the brand with others (De Pelsmacker et al, 2013). In order to stimulate brand purchase, engage consumers, increase the number of brand advocated, build trust and relationship with consumers (Gupta & Davin, 2015) an integration between facebook and instagram will be done through a contest that will encourage people to share photos of their "green moment" by using the #Caramulorpet for a chance to win a trekking for two in serra do caramulo with a tour guide. The website of caramulo will be used to create a positive brand attitude and create a connection with consumers, as 70% of consumers trust the websites (s.Gupta, 2011). Banner ads will be used to generate brand purchase intention, brand awareness and a positive brand attitude.

PR	Influencers such as bloggers and famous instagrammers will be paid to do postings about Caramulo. In their posts they must show the brand and logo and highlight that the sustainable attributes of the brand	Instagrammers and bloguers that pro-nature such as Jessica Athaide	The use of influencers is to increase brand awareness, since bloguers and famous instagrammers are followed by a lot of people and to create a favourable brand attitude, since 90% of consumers trust recommendation from other consumers (s.Gupta, 2011). Additionally, influencers will generate purchase intention since in our qualitative research (12/30) said that their purchase decision is influenced by others
Magazines	Show the products packaging and logo with its real colours and highlight the products benefits (50%rPet) (see appendix)	We will be present in Time out, because it is a magazine that is purchased mostly by young people (www.ligateamedia) and Visão and Sábado , because it have a wider target audience.	Increase brand recognition and favourable brand attitude.

Exhibit 45.11 - Media Strategy Vitalis

	Description	Location	Objective
App	Vitalis will launch an app with the concept to create a community centered around consumer's passion for running. The apple allow people to challenge others for a run and participate in discussion forums related to sports. The app allow people to track individual progress and statistics and to track friends/	The app can be used in Android and IOS	The app will reinforce that Vitalis is no longer an individualist brand, it will create brand awareness, create a positive brand attitude, generate purchase intention, engage consumers by helping people improving existing relationships or build new ones

	family members when they are participating in runs and to sum up km. The km collected can be donated (in the formed of money) to social institutions or other social causes (eg. victims of the fires in Portugal). Furthermore, the km can be used as discount vouchers when buying Vitalis in the off-trade channels.		
Sponsorship	Vitalis will promote corporate runs such as B2run by sponsor this event and by being present with merchandising. In Color run vitalis will launch a coloured caps special edition with words written inside. Besides that, the Vitalis will be present with merchandising and will offer these special edition waters.	Caramulo will sponsor B2run and Colour run, which are events related to sports.	Vitalis will launch a colour run contest with a coloured caps special edition. The purpose is to generate a boost on sales and motivate people to gather a group of friends and run together. The caps will have four different colours with words written inside: esforço; amizade; divertido; partilha; vida; cor; energia; vencer; sede; festa. Each team should find ten caps with the same word and then upload the picture on instagram and facebook, tagging Vitalis and with the #worldcolourrun. The winner teams will be drawn when the campaign is over (after two months) and will win the inscription for the run. The purpose is to create brand awareness and create a positive brand attitude, since the desire action is that consumers associate this festivals to sports and make immediately a link between the brands benefit and what is being sponsored. (Percy and Elliot)
PR	Bloggers, famous instagrammers known athletes will be paid to do postings about Vitalis in their social media accounts and in Vitalis Facebook and instagram page	Instagrammers and Bloguers that are connected to sports and seek a healthy lifestyle. Also, athletes such as Telma Monteiro and Nelson Evora	According to our quantitative research, athletes endorsement is the attribute that is more valued in a water that is focus on sports. Therefore, PR will be important to generate purchase intention, create a favourable brand attitude and increase brand awareness.
Point of Sale activity	Vitalis will have short activations where it will be present in big surfaces with running machines where people will have to run 1 km to win Running Sport Sweatproof Armband Case for the phone. There will be a promoter to explain the activity and to promote the new app	The action will take place in some hypermarkets	The purpose is to let people know about the app and how it works, to create brand awareness, and create a positive attitude towards the brand and incentive people to purchase the brand by remember the brand at point of purchase by remembering consumer of their need at Point of purchase (Rossiter and Percy)

Interactive Mupi	The mupi will have two speed cam (in different directions) that will track and measure people's velocity. The two people that are participating in the activity will have to run faster than 18 kilometres per hour to receive two bottles of water of Vitalis go.	In places with a lot of traffic such as Chiado	The purpose of making two people working together to achieve the same goal is to transmit the idea that Vitalis is no longer individualist and that people need other communities to achieve their goals. The objective is also to create buzz, earned media, brand awareness and increase brand attitude by creating a good experience for people.
Outdoors	Show the products packaging and logo with its real colours and highlight that Vitalis is the best source of hydration for athletes	800 faces in big cities	Increase brand recognition and create a favourable brand attitude
Magazines	Show the products packaging and logo with its real colours and highlight that Vitalis is the best source of hydration for athletes	The ad will be present in Men's health, Women's health and GQ, because the target audience of the magazines is similar to the target audience of Vitalis	Increase brand recognition and create a favourable brand attitude
Online Activities	Vitalis must maintain their website, facebook and instagram page and must continue upload videos, posts and pictures regularly. The posts must include not only athletes but also the community behind the athlete's (family, friends, coach). The banners will show the product and logo and highlight the product benefit - Source of energy and motivation for athletes. Additionally the banners will have a link that will direct consumers to continent online.	Maintain Vitalis website, Facebook and instagram page. The community behind the athletes must be integrate in Vitalis communication	Internet will be used to stimulate brand users, lovers and advocated to share their interest for the brand with others (De Pelsmacker et al, 2013). In order to stimulate brand purchase, engage consumers, increase the number of brand advocated, build trust and relationship with consumers (Gupta & Davin, 2015). Other purpose of social media is to seek customer feedback The website of Vitalis will be used to create a positive brand attitude and create a connection with consumers, as 70% of consumers trust the websites (s.Gupta, 2011). Banner ads will be used to generate brand purchase intention, brand awareness and a positive brand attitude.

Exhibit 45.12 - Media Strategy Caramulo Care

	Description	Location	Objective
TV	A 30 second commercial will be proposed, with the emotional tools mention in creative strategy and with the mandatory content of having to resonate	The ad will pass in Fox Life and Sic mulher because the target audience present in this channel is the same as the target audience of the	Although it is the most expensive channel, Tv is one of the most important communication channels to tell the "story" of Caramulo CAre, because it reaches the highest amount of audience members,

	emotionally with the audience through displaying the benefits of "healthy beauty", sustainability and ultimately enjoyment. Visual and colour content should also be used in Tv add, to further ai recognition.	campaign (Females older than 35)	according to Viacom international Media networks. Brand Recognition and Brand attitude (informational)
Sponsorship	Caramulo Care will have display stands in the events with promoters promoting games and activities related to sustainability, where the winners will win a necessaire made with recyclable materials. In this stands, Caramulo care will be sell and it will be charged an extra price of 2€, which it will be deliver to consumers if they return the bottle water after drinking.	Caramulo Care will sponsor Fashion Night Out, Moda Lisboa and Summer market and winter market by stylist, which are events related to fashion/beauty. Therefore, the desire action is that consumers associate this festivals to fashion and beauty and make immediately a link between the brands benefit and what is being sponsored. (Percy and Elliot)	By presenting Caramulo Care in a environment that the target audience consider favourable, the brand will beneficiate from an existing positive attitude towards the sponsored event (percy and Elliot). Therefore, sponsorship of events related to beauty will contribute to increase brand awareness and to create a positive brand attitude. The benefit of sustainability will be reinforced by promoting sustainability in the events by giving the possibility to receive the extra price of 2€ after returning the bottle.
PR	Influencers such as bloggers and famous instagrammers will be paid to do postings about Caramulo Care. In their posts they must show the brand and logo and highlight that the sustainable and beauty attributes of the brand	Instagrammers and bloggers that are beauty experts such as Maria vaidosa, Alice Trewinnard, Kelly Bailey and nutricionists such as Catarina Lopes Nutri	The use of influencers is to increase brand awareness, since bloguers and famous instagrammers are followed by a lot of people and to create a favourable brand attitude, since 90% of consumers trust recommendation from other consumers (s.Gupta, 2011). Additionally, influencers will generate purchase intention since in our qualitative research (12/30) said that their purchase decision is influenced by others.
Outdoors	Show the products packaging and logo with its real colours and highlight the products benefits - packaging with (50%rPet) and it enhance physical appearance	All over Portugal (360 approach) with 1050 faces	Increase brand awareness and create a positive brand attitude by highlighting the 50%rPet and the beauty benefits deliver by the brand
Online Activities	Social media must integrated all the communication. Posts, videos and pictures will be upload regularly to maintain the customer informed and to increase the relationship with the customers. In the website of Caramulo a new tab must be created for Caramulo Care and must include the studies that show the benefits of silica, the brand's values and the complete portfolio. The banners will show the product and logo and	Facebook, instagram and a website for Caramulo must be created. Banner ads will be post in website related to beauty and sustainability such as BYOU	Internet will be used to stimulate brand users, lovers and advocated to share their interest for the brand with others (De Pelsmacker et al, 2013). In order to stimulate brand purchase, engage consumers, increase the number of brand advocated, build trust and relationship with consumers (Gupta & Davin, 2015) an integration between facebook and instagram will be done through a contest that will encourage people to share photos of their "beauty routine" by using the #omelhordeti for a chance to win a day in a spa. The website of Caramulo Care will be used to

	highlight the product benefit - sustainable and beauty attributes. Additionally, the banners will have a link that will direct consumers to continent online.		create a positive brand attitude and create a connection with consumers, as 70% of consumers trust the websites (s.Gupta, 2011). Banner ads will be used to generate brand purchase intention, brand awareness and a positive brand attitude.
Magazines	Show the products packaging and logo with its real colours and highlight the packaging (50%rPet) and that it enhances physical appearance	Caramulo Care will be present in Vogue, Elle, Happy because the target audience of this magazines is the sames as the target of this campaign	Increase brand recognition and create a positive brand attitude

Exhibit 45.13 - Total marketing budget

	Marketing Budget					
	2019	**2020**	**2021**	**2022**	**2023**	**Total**
Communication costs	€1,363,917	€1,047,802	€1,845,801	€2,029,047	€2,262,635	**€8,549,202**
Consumer Promotions	€113,660	€87,317	€153,817	€169,087	€188,553	**€712,433**
Trade Promotions	€795,618	€611,218	€1,076,717	€1,183,611	€1,319,871	**€4,987,034**
Total	**€2,273,195**	**€1,746,336**	**€3,076,335**	**€3,381,745**	**€3,771,059**	**€14,248,670**

Exhibit 45.14 - Total marketing budget allocation per brand

	Caramulo					
	%	**2019**	**2020**	**2021**	**2022**	**2023**
Communication costs	**60%**	€929,944	€698,534	€538,359	€461,147	€514,235
Consumer Promotions	**5%**	€77,495	€58,211	€44,863	€38,429	€42,853
Trade Promotions	**35%**	€542,467	€407,478	€314,042	€269,002	€299,971
Total	**100%**	**€1,549,906**	**€1,164,224**	**€897,264**	**€768,578**	**€857,059**

	Caramulo Care

	%	2019	2020	2021	2022	2023
Communication costs	**60%**	-	-	€922,900	€922,294	€1,028,471
Consumer Promotions	**5%**	-	-	€76,908	€76,858	€85,706
Trade Promotions	**35%**	-	-	€538,359	€538,005	€599,941
Total	**100%**	-	-	**€1,538,167**	**€1,537,157**	**€1,714,118**

	Vitalis					
	%	2019	2020	2021	2022	2023
Communication costs	**60%**	€433,974	€349,267	€384,542	€645,606	€719,929
Consumer Promotions	**5%**	€36,164	€29,106	€32,045	€53,800	€59,994
Trade Promotions	**35%**	€253,151	€203,739	€224,316	€376,603	€419,959
TOTAL	**100%**	**€723,289**	**€582,112**	**€640,903**	**€1,076,010**	**€1,199,882**

Exhibit 45.15 - ATL & BTL Media Schedule per year

	2018	2019					
	December	**January**	**February**	**March**	**April**	**May**	**June**
Above the Line (ATL)					**Caramulo** - TV FB + Instagram + Website creation Collection and delivery of caps		
					Mupis		
							Magazines & Influencers
		Vitalis - App + FB + Instagram + Website | Influencers					
					Colour Run Coimbra	Colour Run Cascais	
					Magazine		
Below the Line (BTL)	Slotting Allowances	**Vitalis** POS Displays Brand Activation	Vitalis Brand Experience	Vitalis Brand Experience	**Caramulo** New packaging Launching	Caramulo POS Displays	Caramulo POS Displays

		2019					
		July	August	September	October	November	December
Above the Line (ATL)		**Caramulo** - TV					
		Caramulo FB + Instagram + Website Collection and delivery of caps					
		Magazines			Ad Banners		
		Influencers			Mupis		
				Green Festival			
		Vitalis - App + FB + Instagram + Website | Influencers					
		Super Bock Super Rock					
				Colour Run Lisboa e Porto	**Vitalis** Interactive Mupi		
Below the Line (BTL)			Caramulo POS Displays	Caramulo POS Displays			Slotting Allowances
		Caramulo Bonus Pack	Caramulo Bonus Pack		Negotiation for the new launches		

	2020					
	January	February	March	April	May	June
Above the Line (ATL)			**Caramulo** - TV			
					Rock in Rio	
						Mupis

	Caramulo - FB + Instagram + Website Collection and delivery of caps					
					Influencers	
	Vitalis - App + FB + Instagram + Website					
	Mupis		Influencers			
				Colour Run Coimbra	Colour Run Cascais	
					Magazine	
Below the Line (BTL)	**Vitalis** Convenience Packaging Launching	Vitalis Brand Experience	Vitalis Brand Experience			
				Caramulo Bonus Pack	Caramulo Bonus Pack	Caramulo Bonus Pack
	2020					
	July	**August**	**September**	**October**	**November**	**December**
Above the Line (ATL)	Boom Festival					
	Caramulo - FB + Instagram + Website Collection and delivery of caps					
	Influencers					
			Green Festival			
	Vitalis - App + FB + Instagram + Website					
	Influencers					
	Super Bock Super Rock		Colour Run Lisboa e Porto			
	Magazine					
Below the Line (BTL)	**Caramulo** Convenience Packaging Launching	Caramulo Brand Experience	Caramulo Brand Experience			Slotting Allowances

				Negotiation for the new launches		

	2021					
	January	**February**	**March**	**April**	**May**	**June**
Above the Line (ATL)	**Caramulo** - FB + Instagram + Website Collection and delivery of caps					
						Magazine
					Ad Banners	
	Influencers					
	Vitalis - FB + Instagram + Website					
				Colour Run Coimbra	Colour Run Cascais	
	Ad Banners				Brand Activation	
	Influencers					
					Magazine	
			Caramulo Care - FB + Instagram + Website			
			Caramulo Care - TV			
					Winter Market Stylista	
			Mupis			
						Magazine
			Influencers			
					Display Windons in Phamacies	
Below the Line (BTL)			**Caramulo Care** Launching March 8th (Women's day)	Caramulo Care POS Displays	Caramulo Care POS Displays	Caramulo Care POS Displays
				Caramulo Care Sampling		Caramulo Care Sampling

	2021					
	July	**August**	**September**	**October**	**November**	**December**
Above the Line (ATL)	**Caramulo** - FB + Instagram + Website Collection and delivery of caps					
	Magazine					
	Ad Banners		Green Festival			
		Influencers				
				Outdoors		
	Vitalis - FB + Instagram + Website					
	Super Bock Super Rock		Colour Run Lisboa e Porto			
	Influencers					
	Caramulo Care - FB + Instagram + Website					
	Caramulo Care - TV					
				Fashion Night Out	Winter Market Stylista	
	Magazine					
	Influencers					
				Ad Banners		
	Display Windows					
Below the Line (BTL)	Caramulo Care POS Displays	Caramulo Care POS Displays	Caramulo Care POS Displays			Slotting Allowances
			Caramulo Care Sampling	Negotiation for the new launches		

Exhibit 46: Promotion

Exhibit 46.1 - Promotional Budget

	Caramulo Below the line budget (Promotions)					
Activities/Year	**%**	**2019**	**%**	**2020**	**%**	**2021**
Slotting Allowances	**19%**	€117,793	**21%**	€97,795	**23%**	€82,548
POS Displays	**10%**	€61,996	**7%**	€32,598	**8%**	€28,712
In-Store Merchandising	**7%**	€43,397	**7%**	€32,598	**9%**	€32,302
Trade Advertising	**15%**	€92,994	**16%**	€74,510	**19%**	€68,192
Price-offs promotions	**0%**	-	**15%**	€69,853	**16%**	€57,425
Bonus Pack	**28%**	€173,589	**12%**	€55,883	**6%**	€21,534
HoReCa & Spec. Promo	**21%**	€130,192	**22%**	€102,452	**19%**	€68,192
Total	**100%**	**€619,962**	**100%**	**€465,690**	**100%**	**€358,906**

	Caramulo Care Below the line budget (Promotions)					
Activities/Year	**%**	**2019**	**%**	**2020**	**%**	**2021**
Slotting Allowances		-		-	**21%**	€129,206
POS Displays		-		-	**10%**	€61,527
In-Store Merchandising		-		-	**12%**	€73,832
Trade Advertising		-		-	**20%**	€123,053
Price-offs promotions		-		-	**0%**	-
Sampling		-		-	**22%**	€135,359
HoReCa & Spec. Promo		-		-	**15%**	€92,290
Total		**-**	**0%**	**-**	**100%**	**€615,267**

	Vitalis Below the line budget (Promotions)

Activities/Year	%	2019	%	2020	%	2021
Slotting Allowances	**19%**	€54,970	**19%**	€44,241	**19%**	€48,709
POS Displays	**10%**	€28,932	**10%**	€23,284	**9%**	€23,073
In-Store Merchandising	**9%**	€26,038	**9%**	€20,956	**9%**	€23,073
Trade Advertising	**13%**	€37,611	**16%**	€37,255	**15%**	€38,454
Price-offs promotions	**15%**	€43,397	**19%**	€44,241	**16%**	€41,018
Promoters	**7%**	€20,252	**0%**	€0	**7%**	€17,945
Sampling	**7%**	€20,252	**7%**	€16,299	**5%**	€12,818
HoReCa & Spec. Promo	**20%**	€57,863	**20%**	€46,569	**20%**	€51,272
Total	**100%**	**€289,316**	**100%**	**€232,845**	**100%**	**€256,361**

Exhibit 46.2 - Promotional Strategy for HoReCa Channel

	Promotional Pricing - HoReCa							
	Cruzada							
	Segmento	**Compra**	**Oferta**	**Total**	**Desconto (%)**	**Vitalis**	**Caramulo**	**Caramulo Care**
PET 0.33L	Seg A	12	35	47	74.5%	**€0.118**	**€0.099**	**€0.099**
	Seg B	9	23	32	71.9%	**€0.130**	**€0.109**	**€0.109**
	Seg C	3	7	10	70.0%	**€0.138**	**€0.117**	**€0.117**
	Seg D	**6**	**15**	**21**	71.4%	**€0.129**	**€0.108**	**€0.108**
PET 0.5L	Seg A	12	35	47	74.5%	**€0.140**	**€0.117**	-
	Seg B	9	23	32	71.9%	**€0.154**	**€0.129**	-
	Seg C	3	7	10	70.0%	**€0.165**	**€0.138**	-
	Seg D	**6**	**15**	**21**	71.4%	**€0.153**	**€0.128**	-
PET 1.5L	Seg A	10	22	32	68.8%	**€0.295**	**€0.252**	-
	Seg B	7	13	20	65.0%	**€0.330**	**€0.283**	-
	Seg C	3	5	8	62.5%	**€0.354**	**€0.303**	-
	Seg D	**6**	**11**	**17**	64.7%	**€0.326**	**€0.279**	

Exhibit 46.3 - Caramulo Bonus Pack

Exhibit 46.4 - HoReCa and Specialized Channels

Exhibit 47: Financials

Exhibit 47.1 - Main assumptions

Market size: To estimate the market size of the still water market in both value and volume, the market sizes of 2016 provided in Nielsen were used. For the off-trade channel, the CAGR 2016-2021 available in Euromonitor was considered, which was assumed for the whole period of the project, until 2023. For the on-trade channel, as advised by Mário Frade, the CAGR assumed for the time period of the project was higher than the one for the off-trade channel, being 4.5% in value and 5.5% in volume. As for the size of the specialized channels (drugstores and pharmacies), its value was estimated to be 1.5% of the value of the on-trade channel and 1.25% of the volume of the on-trade channel.

Value: Since the launch of new products and marketing campaigns will only start in 2019, an estimate of value for 2018 had to be done, on the assumption that the brands would maintain the same value market share registered in 2017 retrieved from A.C.Nielsen. Firstly it was assumed that all brand woulds grow equally to the growth of the market, which enables them to maintain their market share. On top of that growth. a percentage of growth for each brand was assumed taking into account the potential value of each segment estimated in the targeting process (please refer to the individual report on positioning). It was assumed that a segment total potential value is a % calculated over the total value of the still water market. Bearing this in mind, the *sustainability advocates* were valued up to 22% of the value of the still water market, the *beauty queens* were valued up to 25% of the value of the still water market and the *number one* was valued up to 15% of the value of the still water market. Thus, the brand potential value increase by targeting that segment will be calculated with the same % over the total value of the brand. As such, at the end of the 5 years, Caramulo will have a added value growth of 22%. Since Caramulo Care is an extension of Caramulo, it was considered that the value of the brand by 2023 would equal 25% of the total value of Caramulo. As for Vitalis, since the positioning specifies that the target should be broadened to include the athletes community, it is believed that the percentage of growth will be a bit over the % of value of the segment, which is assumed to be 20%.

Volume: Similarly to the value, an estimate of value for 2018 had to be done, on the assumption that the brands would maintain the same volume market share registered in 2017 in A.C.Nielsen. To reflect the goals of the project, for all brands, the growth in value was considered to be greater than the growth in volume since only in this scenario the brands can actually become more valuable. For Vitalis, volume growth was considered to be 10% of the value growth. For Caramulo, since it is not yet as well established as Vitalis and the filling capacity of the factories is lower, it was considered that the volume of the brand would amount to 45% of the volume of Vitalis. For Caramulo Care, since it is a brand extension of Caramulo, the volume was considered to be around 5% of the volume of the Caramulo brand.

Channels: The weight of the channels was also estimated to change slightly over the time period of the project, mostly for Caramulo in which the off-trade channel will gain an increased importance. These assumptions can be seen in exhibit 47.1.1.

Exhibit 47.1.1 - Market size assumptions and channel weight

Still Water Category		
Market Size (Value)		**Sources**
Still Waters (Off-Trade + On-Trade)	282,979,361.00	Industry Report 1ºTrim 2017, Nielsen
Off-Trade Market	136,431,348.00	Industry Report 1ºTrim 2017, Nielsen (48,2% Off-trade/ 51,8% On-trade)
On-Trade Market	146,548,013.00	
Off-Trade Vitalis	8,392,647.00	Information provided by the SBG
On-Trade Vitalis	13,681,493.00	Information provided by the SBG
Off-Trade Caramulo	1,727,982.00	Information provided by the SBG
On-Trade Caramulo	16,236,198.00	Information provided by the SBG
Special Waters (Off-trade)	6,225,545.94	Kick-Off Meeting Presentation, Unicer
Estimated CAGR Still Waters (Off-Trade)	3%	Bottled Water in Portugal, Euromonitor International
Estimated CAGR Special Waters (Flavored) (Off-Trade)	2.30%	Bottled Water in Portugal, Euromonitor International
Estimated CAGR Still Waters (On-Trade)	4.50%	Information provided by the SBG, reflecting rise in

		tourism

	Market Size Projections (Value)							
	2016	**2017**	**2018**	**2019**	**2020**	**2021**	2022	2023
Still Water Market (Off-Trade)	136,431,348	139,159,975	143,334,774	147,634,817	152,063,862	156,625,778	161,324,551	166,164,288
Still Water Market (On-Trade)	146,548,013	150,944,453	157,736,954	164,835,117	172,252,697	180,004,068	188,104,251	196,568,943
Still Water Market (Specialised Channels)*	2,198,220	2,264,167	2,366,054	2,472,527	2,583,790	2,700,061	2,821,564	2,948,534
*Total value growth of the category equals 5%								

*The value of the specialized channels was considered to be 1.5% of the value of the on-trade channel

	Market Size Projections (Volume)							
	2016	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Still Water Market (Off-Trade)	791,694,711	823,362,499	856,296,999	890,548,879	926,170,835	963,217,668	1,001,746,375	1,041,816,230
Still Water Market (On-Trade)	96,613,002	101,926,717	107,532,687	113,446,984	119,686,568	126,269,330	133,214,143	140,540,921
Still Water Market (Specialized Channels)*	1,207,663	1,274,084	1,344,159	1,418,087	1,496,082	1,578,367	1,665,177	1,756,762

*The volume of the specialized channels was considered to be 1.25% of the volume of the on-trade channel

Weight of the channels									
Brand	**Channel**		**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Vitalis	Volume	On trade	21.00%	19.00%	21.00%	20.50%	20.50%	20.00%	20.00%
		Off trade	79.00%	81.00%	79.00%	79.50%	79.50%	79.50%	79.50%
		SC						0.50%	0.50%
	Value	On trade	62.00%	63.00%	62.00%	61.50%	61.50%	58.50%	58.50%
		Off trade	38.00%	37.00%	38.00%	38.50%	38.50%	39.00%	39.00%
		SC						2.50%	2.50%
Caramulo	Volume	On trade	60.00%	61.00%	55.00%	53.50%	53.00%	52.50%	52.50%
		Off trade	40.00%	39.00%	45.00%	47.00%	47.00%	47.50%	47.50%
	Value	On trade	91.00%	90.00%	85.00%	82.50%	82.00%	81.00%	81.00%
		Off trade	9.00%	10.00%	15.00%	17.50%	18.00%	19.00%	19.00%
Caramulo Care	Volume	On trade					25.00%	20.00%	20.00%
		Off trade					60.00%	60.00%	60.00%

		SC		15.00%	20.00%	20.00%
	Value	On trade		30.00%	25.00%	20.00%

Exhibit 47.1.2 - Sales Forecast

	Market Share Projections in Retail Sale Price (RSP)					
	2017 (ON)	2017 (OFF)	2018 (ON)	2018 (OFF)	2019 (ON)	2019 (OFF)
Caramulo	14,188,779	1,391,600	14,827,274	1,576,683	15,053,157	2,656,440
Caramulo Care						
Vitalis	12,679,334	7,653,799	13,249,904	7,883,413	14,098,851	8,641,231
Total RSP	26,868,113	9,045,398	28,077,178	9,460,095	29,152,008	11,297,670
(-) VAT 13%	23,777,091	8,004,777	24,847,060	8,371,766	25,798,237	9,997,938
(-) Off-Trade Margin (30%)		5,603,344		5,860,236		6,998,557
(-) On-Trade Margin (82%)	4,279,876		4,472,471		4,643,683	
(-) Specialized Retailers Margin (50%)						
Total per channel	4,279,876	5,603,344	4,472,471	5,860,236	4,643,683	6,998,557
Total		9,883,220		10,332,707		11,642,240

	Market Share Projections in Retail Sale Price (RSP)				
	2020 (ON)	2020 (OFF)	2021 (ON)	2021 (SR)	2021 (OFF)
Caramulo	15,773,305	3,345,853	16,925,545		3,715,364
Caramulo Care			601,435	400,957	2,004,785
Vitalis	15,048,440	9,420,568	16,192,572		10,136,813
Total RSP	30,821,745	12,766,421	33,719,553	400,957	15,856,962
(-) VAT 13%	27,275,880	11,297,717	29,840,312	354,829	14,032,709
(-) Off-Trade Margin (30%)		7,908,402			9,822,897
(-) On-Trade Margin (82%)	4,909,658		5,371,256		
(-) Specialized Retailers Margin (50%)				177,415	
Total per channel	4,909,658	7,908,402	5,371,256	177,415	9,822,897
Total		12,818,061			15,371,567

	Market Share Projections in Retail Sale Price (RSP)					
	2022 (ON)	2022 (SR)	2022 (OFF)	2023 (ON)	2023 (SR)	2023 (OFF)

Caramulo	18,049,863		4,233,918	19,486,506		4,570,909
Caramulo Care	1,002,392	1,002,392	2,004,785	1,202,871	1,804,306	3,007,177
Vitalis	16,573,756	708,280	11,049,171	17,833,858	762,131	11,889,239
Total RSP	35,626,011	1,710,672	17,287,874	38,523,235	2,566,437	19,467,324
(-) VAT 13%	31,527,444	1,513,869	15,299,003	34,091,358	2,271,183	17,227,721
(-) Off-Trade Margin (30%)			10,709,302			13,627,127
(-) On-Trade Margin (82%)	5,674,940			6,136,444		
(-) Specialized Retailers Margin (50%)		756,935			1,135,592	
Total per channel	5,674,940	756,935	10,709,302	6,136,444	1,135,592	13,627,127
Total			17,141,177			20,899,163

Exhibit 47.2 - COGS

	2018			2019			2020		
	Average € per litre	Volume	COGS	Average € per litre	Volume	COGS	Average € per litre	Volume	COGS
Vitalis									
On-trade	€0.10	6,774,559	670,681	€0.10	7,925,936	784,668	€0.1025	8,136,904	834,033
Off-trade	€0.11	16,925,545	1,861,810	€0.11	29,816,617	3,279,828	€0.117	31,555,311	3,679,349
SC									
Caramulo									
On-trade	€0.11	10,538,203	1,159,202	€0.14	7,265,441	919,078	€0.137	7,432,367	918,938
Off-trade	€0.11	6,850,376	753,541	€0.14	5,944,452	850,057	€0.137	6,529,369	896,352
Caramulo Care									
On-trade									
Off-trade									

	2021			2022			2022		
	Average € per litre	Volume	COGS	Average € per litre	Volume	COGS	Average € per litre	Volume	COGS
Vitalis									
On-trade	€0.1025	€8,557,231	€877,116	€0.1025	8,779,777	899,927	€0.1025	9,233,313	946,415
Off-trade	€0.117	€33,185,360	€3,869,413	€0.140	34,899,612	4,883,154	€0.126	36,702,417	4,621,862
SC				€0.140	219,494	30,712	€0.126	230,833	29,068

Caramulo									
On-trade	€0.12	€7,743,251	€904,226	€0.11	8,066,420	896,960	€0.11	8,483,106	943,294
Off-trade	€0.12	€6,866,656	€848,389	€0.11	7,298,189	811,535	€0.11	7,675,191	853,457
Caramulo Care									
On-trade	€0.12	€182,624	€22,564	€0.11	153,646	17,085	€0.11	161,583	17,968
Off-trade	€0.12	€438,297	€54,152	€0.11	460,938	51,255	€0.13	484,749	64,683

Exhibit 47.3 - P&L

	Assumptions P&L 2018		**P&L Project**					
P&L Still Waters	**2017**	**2018**	**Initial Investment**	**2019**	**2020**	**2021**	**2022**	**2023**
Net Sales Revenue	€9,883,220	€10,332,707		€11,642,240	€12,818,061	€15,371,567	€17,141,177	€20,899,163
COGS		€4,445,235		€5,833,631	€6,328,672	€6,589,398	€7,607,713	€7,498,307
Gross Revenue		**€5,887,472**		**€5,808,609**	**€6,489,389**	**€8,782,169**	**€9,533,464**	**€13,400,856**
Gross Margin in %		56.98%		49.89%	50.63%	57.13%	55.62%	64.12%
Marketing Costs		€1,482,483		€2,273,195	€1,746,336	€3,076,335	€3,381,745	€3,771,059
Communication costs		-		€1,363,917	€1,047,802	€1,845,801	€2,029,047	€2,262,635
Consumer Promotions		-		€113,660	€87,317	€153,817	€169,087	€188,553
Trade Promotions		-		€795,618	€611,218	€1,076,717	€1,183,611	€1,319,871
Development costs (R&D)		€1,976,644			€1,164,224	€1,281,806		
Other expenses		€588,747		€580,861	€648,939	€878,217	€953,346	€1,340,086
Operating Costs		**€4,047,874**		**€2,854,056**	**€3,559,499**	**€5,236,358**	**€4,335,091**	**€5,111,144**
EBITDA		**€1,839,597**		**€2,954,553**	**€2,929,890**	**€3,545,811**	**€5,198,373**	**€8,289,711**
Gross margin after operating costs		17.80%		25.38%	22.86%	23.07%	30.33%	39.67%
Depreciation		€0		€0	€0	€0	€0	€0
Operating income (**EBIT**)		**€1,839,597**		**€2,954,553**	**€2,929,890**	**€3,545,811**	**€5,198,373**	**€8,289,711**
Gross margin after operating costs		17.80%		25.38%	22.86%	23.07%	30.33%	39.67%
Taxes (21%)		€386,315		€620,456	€615,277	€744,620	€1,091,658	€1,740,839
Profit after taxes (**Net profit**)		**€1,453,282**		**€2,334,097**	**€2,314,613**	**€2,801,191**	**€4,106,715**	**€6,548,872**
Net Income (**FCF**)		**€1,453,282**	**-€1,976,644**	**€2,334,097**	**€2,314,613**	**€2,801,191**	**€4,106,715**	**€6,548,872**
Discounted Cash Flows			-€1,976,644	€2,181,399	€2,021,673	€2,286,606	€3,132,993	€4,669,255

NPV after 5 years (r=7%)	€12,315,281.80
ROI of the project after 5 years	115.22%
Payback period (years)	1.98

Exhibit 47.3.1 - P&L Vitalis

P&L Still Waters	Assumptions P&L 2018		P&L Vitalis Project					
	2017	2018	Initial Investment	2019	2020	2021	2022	2023
Net Sales Revenue	€6,761,008	€6,994,134		€7,598,810	€8,232,847	€8,858,790	€9,798,085	€11,500,484
COGS		€2,532,491		€4,064,496	€4,513,382	€4,746,529	€5,813,793	€5,597,345
Gross Revenue		**€4,461,643**		**€3,534,314**	**€3,719,465**	**€4,112,261**	**€3,984,292**	**€5,903,140**
Gross Margin in %		63.79%		46.51%	45.18%	46.42%	40.66%	51.33%
Marketing Costs		€1,014,151		€723,289	€582,112	€640,903	€1,076,010	€1,199,882
Communication costs		-		€433,974	€349,267	€384,542	€645,606	€719,929
Consumer Promotions		-		€36,164	€29,106	€32,045	€53,800	€59,994
Trade Promotions		-		€253,151	€203,739	€224,316	€376,603	€419,959
Development costs (R&D)		€1,352,202			€759,881	€823,285		
Other expenses		€446,164		€353,431	€371,946	€411,226	€398,429	€590,314
Operating Costs		**€2,812,517**		**€1,076,721**	**€1,713,939**	**€1,875,414**	**€1,474,439**	**€1,790,196**
EBITDA		**€1,649,126**		**€2,457,593**	**€2,005,525**	**€2,236,847**	**€2,509,853**	**€4,112,943**
Gross margin after operating costs		23.58%		32.34%	24.36%	25.25%	25.62%	35.76%
Depreciation		0		0	0	0	0	0
Operating income (**EBIT**)		**€1,649,126**		**€2,457,593**	**€2,005,525**	**€2,236,847**	**€2,509,853**	**€4,112,943**
Gross margin after operating costs		23.58%		32.34%	24.36%	25.25%	25.62%	35.76%
Taxes (21%)		€346,316		€516,095	€421,160	€469,738	€527,069	€863,718
Profit after taxes (**Net profit**)		**€1,302,809**		**€1,941,499**	**€1,584,365**	**€1,767,109**	**€1,982,784**	**€3,249,225**
Net Income (**FCF**)		**€1,302,809**	**-€1,352,202**	**€1,941,499**	**€1,584,365**	**€1,767,109**	**€1,982,784**	**€3,249,225**
Discounted Cash Flows			-€1,352,202	€1,814,485	€1,383,846	€1,442,487	€1,512,656	€2,316,653

NPV after 5 years (r=7%)	€7,117,925.30
ROI of the project after 3 years	66.31%
Payback period	1.75

Exhibit 47.3.2 - P&L Caramulo

P&L Still Waters	**Assumptions P&L 2018**		**P&L Project**					
	2017	**2018**	**Initial Investment**	**2019**	**2020**	**2021**	**2022**	**2023**
Net Sales Revenue	€3,122,212	€3,338,573		€4,043,430	€4,585,214	€4,997,657	€5,497,981	€6,303,681
COGS		€1,912,744		€1,769,135	€1,815,290	€1,752,615	€1,708,495	€1,796,751
Gross Revenue		**€1,425,829**		**€2,274,295**	**€2,769,924**	**€3,245,042**	**€3,789,485**	**€4,506,930**
Gross Margin in %		42.71%		56.25%	60.41%	64.93%	68.93%	71.50%
Marketing Costs				€1,549,906	€1,152,673	€883,679	€749,809	€813,256
Communication costs		-		€1,363,917	€1,047,802	€1,845,801		
Consumer Promotions		-		€113,660	€87,317	€153,817		
Trade Promotions		-		€795,618	€611,218	€1,076,717		
Development costs (R&D)		€624,442			€404,343	€458,521		
Other expenses		€142,583		€227,430	€276,992	€324,504	€378,949	€450,693
Operating Costs		**€767,025**		**€1,777,336**	**€1,834,008**	**€1,666,705**	**€1,128,757**	**€1,263,949**
EBITDA		**€658,804**		**€496,960**	**€935,916**	**€1,578,338**	**€2,660,728**	**€3,242,981**
Gross margin after operating costs		19.73%		12.29%	20.41%	31.58%	48.39%	51.45%
Depreciation		€0.00		€0.00	€0.00	€0.00	€0.00	€0.00
Operating income (**EBIT**)		**€658,804**		**€496,960**	**€935,916**	**€1,578,338**	**€2,660,728**	**€3,242,981**
Gross margin after operating costs		19.73%		12.29%	20.41%	31.58%	48.39%	51.45%
Taxes (21%)		€138,349		€104,362	€196,542	€331,451	€558,753	€681,026
Profit after taxes (**Net profit**)		**€520,455**		**€392,598**	**€739,373**	**€1,246,887**	**€2,101,975**	**€2,561,955**
Net Income (**FCF**)		**€520,455**	**-€624,442**	**€392,598**	**€739,373**	**€1,246,887**	**€2,101,975**	**€2,561,955**
Discounted Cash Flows			-€624,442	€366,914	€645,797	€1,017,831	€1,603,587	€1,826,639

NPV after 5 years (r=7%)	€4,836,325.41
ROI of the project after 3 years	137.26%
Payback period	2.40

Exhibit 47.3.3 - P&L Caramulo Care

P&L Still Waters	Assumptions P&L 2018		P&L Project					
	2017	2018	Initial Investment	2019	2020	2021	2022	2023
Net Sales Revenue						€1,515,120	€1,845,111	€3,094,997
COGS						€90,254	€85,425	€104,212
Gross Revenue						**€1,424,866**	**€1,759,687**	**€2,990,786**
Gross Margin in %						94.04%	95.37%	96.63%
Marketing Costs						€1,538,167	€1,537,157	€1,714,118
Communication costs						€1,845,801		
Consumer Promotions						€153,817		
Trade Promotions						€1,076,717		
Development costs (R&D)						€458,521		
Other expenses						€142,487	€175,969	€299,079
Operating Costs						**€2,139,175**	**€1,713,125**	**€2,013,196**
EBITDA						**-€714,309**	**€46,561**	**€977,589**
Gross margin after operating costs						-47.15%	2.52%	31.59%
Depreciation						€0.00	€0.00	€0.00
Operating income (**EBIT**)						**-€714,309**	**€46,561**	**€977,589**
Gross margin after operating costs						-47.15%	2.52%	31.59%
Taxes (21%)						-€150,005	€9,778	€205,294
Profit after taxes (**Net profit**)						**-€564,304**	**€36,783**	**€772,296**
Net Income (**FCF**)					**-€1,152,673**	**-€564,304**	**€36,783**	**€772,296**
Discounted Cash Flows						-€460,640	€28,062	€550,636

NPV after 5 years (r=7%)	€118,057.64
ROI of the project after 3 years	67.00%
Payback period	2.79

Exhibit 47.4 - Market Share

	Market Share Projections (Value)							
	2017	2018*	2019	2020	2021	2022	2023	Growth p.p.
Vitalis (Off-Trade)	5.50%	5.50%	5.85%	6.20%	6.47%	6.85%	7.16%	1.66
Vitalis (On-Trade)	8.40%	8.40%	8.55%	8.74%	9.00%	8.81%	9.07%	0.67
Vitalis (Specific Channels)*						25.10%	25.85%	0.75
Caramulo (Off-Trade)	1.10%	1.10%	1.80%	2.20%	2.37%	2.62%	2.83%	1.73
Caramulo (On-Trade)	9.40%	9.40%	9.13%	9.16%	9.40%	9.60%	9.91%	0.51
Caramulo Care (Off-Trade)					0.6%	1.24%	1.81%	1.21
Caramulo Care (On-Trade)					0.33%	0.53%	0.61%	0.28

	Market Share Projections (Volume)							
	2017	2018*	2019	2020	2021	2022	2023	Growth p.p.
Vitalis (Off-Trade)	3.40%	3.40%	3.35%	3.41%	3.45%	3.48%	3.52%	0.1
Vitalis (On-Trade)	6.30%	6.30%	6.99%	6.80%	6.78%	6.59%	6.57%	-0.22
Vitalis (Specific Channels)*						13.18%	13.14%	0.04
Caramulo (Off-Trade)	0.80%	0.800%	0.67%	0.70%	0.71%	0.73%	0.74%	-0.06
Caramulo (On-Trade)	9.80%	9.80%	6.40%	6.21%	6.13%	6.06%	6.04%	-3.76
Caramulo Care (Off-Trade)					0.05%	0.05%	0.05%	0

Exhibit 48: Contingency plan

Stressed Event	Impact	Monitoring tasks	Reaction
Low or no acceptance from retailers	No or less distribution	Control the amount of orders per retailer	Consider increasing the retail margin; analyse the reason or origin of low acceptance
Price perceived as premium in off-trade channel	No or less sales	Monitor sales	Create more affordable prices
Low consumer satisfaction	Bad brand reputation	Perform satisfaction surveys	Change/adapt the product to better fit consumers' expectations

No or slow increase of sales	Lower market share than expected	Better control and better checking of the number of units sold per month	Establish a suitable marketing strategy
Low or no acceptance from manufacturers	Low or no availability of Convenience Packaging or Vitamin Caps	Find the best agreement with manufacturers	Understand the low acceptance and consider decrease Super Bock Group margin and increase manufacturers' margin
Fail to enter in beauty & care category	Failure of skimming strategy	Quantitative research to access brand image	Consider implement a neutral pricing strategy and decrease the price
Low acceptance of Caramulo Care from consumers	Bad brand reputation and consequent low profits	Understand the reason why consumers are not accepting	Product adjustments; Discontinue Caramulo Care and continue with Caramulo
Fail to reinforce the sport category with vitamin caps	Failure of skimming strategy	Quantitative research to access brand image	Consider implement a neutral pricing strategy and decrease the price
New vitamins not appreciated	Low purchase repetition; Unexpected decrease in sales	Product tests	Product adjustments; Introduce new vitamins
Failure on communication plan	Low consumer's receptiveness	Campaign tracking and evaluation	Adapt to consumer's preference