

The Importance of Target Group-Oriented Brand Management in the Context of Cause-Related Marketing: The Case of Viva con Agua

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Learning Objectives

After reading this chapter, you will be able:

- To understand that safe drinking water is an effective lever which can significantly improve the living conditions of many persons in less developed countries
- 2. To describe the role that Viva con Agua plays in supporting efforts to secure safe drinking water and sanitation in these countries
- 3. To recognize the importance of a concise brand positioning and a target groupspecific brand management in the context of cause-related marketing (CRM) and the use of further multiplier effects
- 4. To identify the possibilities and value of integrating off- and online activities within the CRM

10.1 Introduction

10.1.1 Drinking Water: For Various Reasons, a Hard-Fought Commodity

Water, sanitation, and hygiene (abbreviated: WASH) are indispensable for human survival and for the healthy development of everyone. They are one of the basic conditions for the sustainable development of society. But between 2,2 and 5 million people, mostly children, still die each year in developing countries from diseases transmitted by a lack of access to clean drinking water, poor sanitation, and poor hygiene conditions (Fairventures, 2015).

In contrast to many less developed countries, the supply of clean drinking water is more than sufficient in Germany. Although tap water is considered the most ecological and sustainable way to drink water, many German consumers buy bottled water, if they do not want to drink tap water for whatever reason.

The German bottled water market is characterized by a few large global suppliers such as Nestle with its brands Contrex, Frische Brise, Perrier, S. Pellegrino, Vittel, etc. or Coca Cola with its brands Apollinaris, Aquarius, Bonaqua (in Germany until 2018), Römerquelle, etc. On the other hand, numerous regional companies aim to win the German consumers in a recently declining market. Figure 10.1 shows the sales development of mineral water as well as mineral soft drinks in Germany over the last 50 years.

All in all, there have been no favourable conditions for launching and establishing a new mineral water brand, and particularly not for a new brand with a social claim. This raises the question of how Viva con Agua could despite the adverse conditions successfully establish itself and survive in this highly competitive market – without losing sight of its original claim to help people in need with vital water supply in less developed countries.



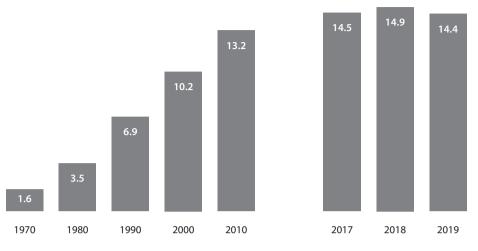


Fig. 10.1 Total sales of the mineral water industry in billion liters in Germany. (Source: Own elaboration, from Verband Deutscher Mineralbrunnen e.V. (2020))

10.2 Case Development

10.2.1 Viva con Agua: A German Mineral Water That Supports Water Projects Worldwide

A mass product, used for an ethical mission – this is the basic idea of Viva con Agua, a Hamburg-based company that is actually none at all. Viva con Agua started as a registered association (e.V. = eingetragener Verein), but today it is much more than that: some call it a network, others speak even of a movement (Grabbe & Kubsova, 2016).

Viva con Agua was initiated in 2005 by Benjamin Adrion, a former professional footballer of the football club Sankt-Pauli from 1910 e.V., short FC St. Pauli. When his professional career ended 10 years ago, Adrion did not become a club official or team coach. Instead, he founded an association to raise money for water projects.

The FC St. Pauli is a sports club from the district of St. Pauli in Hamburg. The most well-known and member-strongest active department is the football department, whose first men's team plays in the 2nd Bundesliga. Their venue is the Millerntor Stadium on the Heiligengeistfeld near the red-light district Reeperbahn in Hamburg, which is why the players are also referred to as "Kiezkicker" (colloquially for "red-light district player"). Thus the football club FC St. Pauli has achieved a certain cult status in Germany as one of the most unconventional professional football clubs in Hamburg and beyond.

The idea to create an organization that promotes safe drinking water in the world came to the footballer Adrion after experiencing the problematic drinking

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supply clean drinking water. The launch took place in cooperation with Welthungerhilfe, a German aid organization for development cooperation and emergency aid based in Bonn. Since its foundation in 1962, Welthungerhilfe has carried out up to more than 8,500 aid projects in 70 countries in Africa, Latin America, and Asia, with around 3.27 billion Euros (Welthungerhilfe, 2018). Therefore, this organization seemed to be predestined for cooperation as an experienced and reliable partner.

In order to finance the water dispensers in Cuban kindergartens and schools, one of the first ideas was to take care of the drinking cups used by fans during football matches of FC St. Pauli. Soccer fans could hand over the 1.50 Euro deposit donation per plastic cup to the Viva con Agua tons at the Millerntor Stadium. The association organized volunteers who walked around with a Viva con Agua flag on a pole, colorfully designed tons, and collected cup donations at every home game of the FC St. Pauli team. Up to now, the organization counts more than 10,000 mug hunters who travel at football matches, concerts, and almost all major music festivals. In sum, they visit around 300 events and collect 150,000 cups per year. The water projects supported by Viva con Agua are consistently sustainable and follow the principles of WASH (water, sanitation, and hygiene), so they always include the components of sanitation and hygiene to ensure permanent access to clean drinking water.

Today, Viva con Agua is more than a pure nonprofit organization (NPO) that works to ensure that all people worldwide have access to clean drinking water. The organization, registered as a nonprofit association, supports water projects not only in Cuba but also in Ethiopia, India, Kenya, Malawi, Mozambique, Nepal, Rwanda, Sierra Leone, Sudan, Tanzania, Uganda, and Zimbabwe, among others. Membership fees for sponsoring members vary between 60 Euros and 240 Euros per year and are tax deductible. Furthermore, Viva con Agua runs also as professional organizer its own art festival with 100 exhibiting artists and 12,000 visitors and now forms a large network of local initiatives and actions.

The founder Adrion attributes the fact that his district initiative has grown so quickly into something so great, in part due to the special ecosystem of the Kiez St. Pauli in Hamburg. Adrion had soon raised so much money that he was able to start his first social business ventures, including a Viva con Agua branded mineral water line, which is now served not only at events and in bars but also at the conference tables of many companies and in more and more beverage retail markets. The beverage supplier Husumer Mineralbrunnen has supported the idea of Viva con Agua from the very beginning and has been providing the north of Germany with tasty Viva con Agua mineral water since 2010. The source of Viva con Agua is in Mildstedt near Husum in Northern Germany and is embedded in a natural, untouched water conservation area, surrounded by the National Park Holstein Wattenmeer (mud flats). Although the Husumer Mineralbrunnen provides the pure water, the final product is marketed entirely by Viva con Agua under its own brand. **Fig. 10.2** Product range – Viva con agua with its variations LAUT und LEISE. (Source: Viva con Agua 2020)



An essential element of success is the product itself – or more precisely the interplay of bottle, contents, and bottle label. Because each bottle builds a connection between the consumers and Viva con Agua and the goals of the association, it represents a kind of "liquid" flyer and thus generates a much greater added value than just purely monetary proceeds from the sale of the bottles could do. Today, Viva con Agua is available in various bottle and container sizes (\blacksquare Fig. 10.2) as well as with (laut = loud) and without (leise = quiet) carbonic acid.

So far, 13.6 million charity mineral water bottles have been sold, and more than 12,000 volunteers in over 57 German cities support Viva con Agua. The income generated by the purchase of the mineral water supports to 100% the work of the NPO – only last year 1.3 million Euros in project donations have been collected. In cooperation with Welthungerhilfe, Viva con Agua has already implemented water projects for 1.8 million people over the last decade (Fründt, 2016).

And the water network is still growing fast. New support crews are forming in more and more cities at home and abroad. One reason for this impressive growth could be the brand's coolness. In a world of Christmas card-sending and fruit teagiving charities, it has a refreshing unique selling point. Viva con Agua succeeds where the charity establishment is often failing: they appeal to young people. But how do they do that?

10.2.2 Hip Brand Strategy for Hip Target Groups: Implemented in Off- and Online CRM Activities

A good product with a good social purpose is one thing. However, a good customer approach is at least as decisive for success. Addressing potential customer groups requires an unmistakable appearance and a differentiating trademark to enable quick identification with the NPO's concerns.

Fig. 10.3 Sticker – Call for a donation run - Lass laufen, Digga! (= Let's go, buddy!). (Source: Viva con Agua 2020)



The brand and communicative approach is aimed particularly at younger target groups, so that not only the typical German donors, i.e., persons aged 50 and over, but also the Generation Z (GenZ) – those who were born from the mid to late 1990s on – are sensitized to the important topic of WASH. That is why and in addition to the sale of mineral water through a wide variety of distribution channels and using the bottles as liquid flyers, the Viva con Agua brand also calls for other activities.

In Germany, many people have already made the commitment to water projects a part of their everyday lives. They are committed to Viva con Agua in numerous German cities, they start their own fundraising campaigns, they go to schools for Viva con Agua as well as to concerts and festivals, and they organize donation runs for the projects to be supported (\square Fig. 10.3).

The idea behind it reads simply: multipliers as a recipe for success, because everyone can organize and run a fundraising campaign for Viva con Agua, whether school, kindergarten, crochet club, or company. What counts are the fun and collecting donations for water projects. Especially for schools, comprehensive materials and aids are available for the implementation of a fundraising run, from parental letters to round cards, certificates, and schedules for organizers. Viva con Agua employees also visit the interested schools and talk about the water projects and the planned run and show pictures and videos from countries where projects have already been financed. Experience has shown that the brand motivates pupils, students, and teachers even more to get involved in running.

Furthermore, Viva con Agua was represented at various festivals together with Drink and Donate, another NPO committed to water supply in developing countries. For example, as part of festivals, donations were collected for people without access to clean drinking water (Fig. 10.4). Similar to the football fans of FC St.

■ Fig. 10.4 Drink and Donate – call to action at open-air festivals. (Source: Drink and Donate/Viva con Agua 2015)



Pauli, all festival visitors were also offered the opportunity to throw their empty deposit cup into a branded Viva con Agua ton instead of returning it to the ordinary return point. The proceeds of the returned cups were donated to the WASH project in Nepal. On top, Drink and Donate was supported by connecting the purchase for the festival tickets with a donation. The donations from this CRM measure were also completely transferred to the Viva con Agua's drinking water projects (Drink and Donate, 2015).

Parallel to the offline and live communication activities described above, Viva con Agua naturally relies as well on online marketing as part of its 360-degree CRM program (■ Fig. 10.5).

For example, the current hype around augmented reality (AR) effects is used on Instagram and Snapchat, when testimonials of the Viva con Agua campaign "Water is a human right," which started in 2019, call on Snapchat or Facebook users to become part of the movement via AR. For this campaign, Snap Inc. provides free advertising volume (Simonis, 2019, p. 43). In **□** Fig. 10.6, the headline on the left says: "Join us. Show attitude. Use the Snapchat Lens and donate. Your contribution counts" ("Mach mit. Zeig Haltung. Nutze die Snapchat Lens & spende. Dein Beitrag zählt!").

As part of this social media campaign, numerous people are shown in order to draw attention to the human right to drinking water. Today, in the Hamburg trendy

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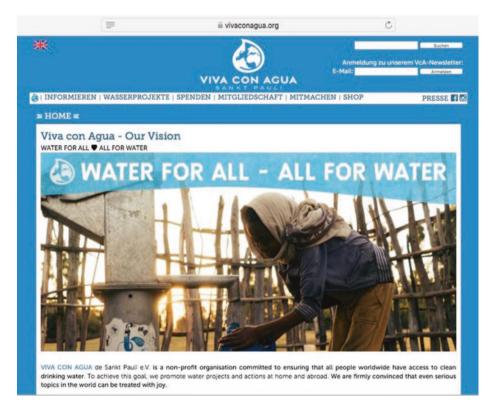


Fig. 10.5 Screenshot of the website of Viva con Agua. (Source: Viva con Agua 2020)



• Fig. 10.6 Snapchat and Facebook campaign – Water is a human right. (Source: Viva con Agua 2020)

districts, the white-blue Viva con Agua logo seems to be as omnipresent as Red Bull in the fun sports world. The brand is present and active at festivals, concerts, football matches, art auctions or sustainability events - almost with everything that is somehow hip.



Fig. 10.7 Toilet paper "Goldeimer." (Source: Goldeimer 2020)

10.2.3 An Organization That Does Not Stand Still: Further Product Diversification and Brand Stretching

Since 2016, the organization has been further testing the limits of coolness, e.g., with motif toilet paper and a newly founded subsidiary under the brand "Goldeimer" (German for "Gold Bucket"). The German manufacturer Wepa reactivated an old, unused toilet paper printing machine for the Hamburgers at its Mainz plant in the south of Germany. Now three-layer pulp webs with motivating meanings are turning to the role: "This paper builds toilets all over the world" or "I like to do business with Viva con Agua." By the way, the German term for "Business" ("Geschäft") is ambiguous and can also mean the event of defecation. Viva con Agua respectively its brand Goldeimer is even experimenting with a toilet paper subscription (see **P** Fig. 10.7, right).

The charity toilet paper is intended to raise awareness of the WASH issue too and thus contribute donations. A drugstore chain has already been won as a sales partner.

Conclusion

With its various activities and target group-oriented CRM approach, Viva con Agua has been very successful in making a socially desirable contribution and at the same time to operate lossless, so that at least all the accumulated costs from current business can be covered, while a substantial amount could be transferred to the funded projects.

This case study also shows that CRM is basically able to revolutionize traditional thinking and to inspire even younger target groups, which are otherwise difficult to reach through traditional fundraising appeals. Additional momentum can be obtained by the conscious use of multipliers (schools, influencers, etc.), which might lead even faster to the desired win-win effects:

- Thanks to a competitive brand strategy, Viva con Agua can pursue its goal of realizing WASH projects worldwide.
- The projects financed by the donations provide the affected people in many less developed regions on the ground with clean drinking water and, more recently, even with toilets and sanitary facilities and therefore ensure better hygiene standards. This also supports the UN's sustainable development goal (SGD) of improved water and sanitation supplies (WASH).
- Both the multipliers of the message "water for all all for water" and the buyers
 of Viva con Agua mineral water (and the toilet paper Goldeimer) demonstrate
 their special social attitude with their use and consumption, thereby distinguishing themselves from consumers of traditional FMCG brands.

Today, the Viva con Agua brand can be found in many wholesalers, beverage stores, retailers, and restaurants not only in the northern part but throughout Germany and beyond. Viva con Agua already has branches in Switzerland, Austria, and the Netherlands and is active in more than 40 European cities. Each bottle draws attention to the vision of "water for all" and at the same time generates funds as a licensed product for the charitable work of Viva con Agua. In this way, the purchasing decision of consumers has a positive effect on the way to a world without thirst. For socially minded consumers, the Viva con Agua mineral water and Goldeimer toilet paper are an easy and social way to support people living in less developed countries, who do not have access to clean drinking water and sanitation.

Discussion Questions

- 1. What was Viva con Agua's recipe for success? Would this recipe work in other countries? What conditions would be necessary for this?
- 2. Considering other sustainable development goals (SDGs), in which other fastmoving consumer good (FMCG) market segments such business case might be conceivable and could be similarly economically successful?
- 3. How could Viva con Agua's CRM further be developed in order to generate additional growth and establish the offer as a social top-of-mind brand in a highly competitive market? Short term and in the long term?

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