

There are always new ways

Drinking water, mineral water and the "small faith" consumers

For decades, mineral water consumption shaped the drinking habits of Germans. With the advent of Water bubbler, this seemingly perennial domain of mineral springs was proverbially "bubbled up": Consumers, with their strong orientation towards the environment, purpose and other stimulants for a good conscience, were no longer conforming when it came to drinking water. Although the difference between mineral water and drinking water, tap water and even organic mineral water has been the subject of discussion in various expert bodies for some time, this discussion seems to only marginally affect the language of consumers. They are looking for simple messages that tell them how they can make their everyday life easier and thus bring them more happiness, carefreeness and satisfaction.

The mineral water though had so many advantages. These also lasted for years.

The first significant change in behavior was to come with the emergence of PET packaging. However, the emergence of PET packaging was to herald the first significant change in behavior: Compared to the glass bottles we were used to, plastic was lighter, more convenient and also more versatile in everyday use. And with the introduction of returnable PET, the gates were opened for even cheaper disposable PET in discount style: more and cheaper, but still the best mineral water! Mind you: from the point of view of the consumer, who wants to organize his everyday life in the best possible and most efficient way.

The success of mineral water with consumers

Mineral water began its triumphal march in Germany at the end of the 1970s. The consumers with childhood in the late 1960s and 1970s (so-called Generation X) were those who largely still grew up with drinking water from the tap. As adults, GenX, together with the baby boomers (born 1950-1964), had been the main focus for the social penetration of reusable and mineral water. Per capita consumption of mineral water peaked in 2015 to 2018. Since that time, this value has started to fall again.

The advantages of mineral water from back then still hold true today - at least for those consumers who prefer mineral water to drinking water alternatives. In addition to the good taste, the certainty of supplying the body with many valuable minerals, keeping oneself practical and convenient in everyday life through bottled water, as well as the certainty of guaranteeing a good fix to one's own lifestyle with mineral water consumption, the (wishful) image that mineral water springs from "nature's source", has also become firmly established. Around the turn of the millennium, additional aspects emerged that (mineral) water should be suitable for children's food or better nutrition for older people.

Ultimately, mineral water still meets the essential requirements of the two social megatrends of "Science" and "Romance" according to studies by the Duttweiler Institute. While the Science megatrend fulfils all aspects of Smart & Functional Food, Maximum Convenience and Self-optimization (i.e. what is best for consumers when drinking), the Romance megatrend, which is taking place at the same time and outpacing the other trend, serves all consumer expectations of regionality, arriving and being at home, sustainability and naturalness. Actually, all these social trends should continue to play into the hands of increased mineral water consumption.

Drinking water as a lifestyle

In fact, since the Millennial years and especially with the Millennials (GenY, born 1980-1994), much has changed in drinking behavior. While Gen X was the generation that on the one hand gave wings to reusable and mineral water consumption, but at the same time was also the last generation to experience clean seashores, Gen Y is a generation that grew up with disposable and growing packaging mania and in their youth or together with their own families perceives plastic-littered beaches as an everyday reality. Even if German reusable packaging has little - if anything - to do with the surplus of plastic waste and the catastrophic effects on the world's oceans, the following also applies to consumer perception: a picture is (always) worth a thousand words! The cognitive-psychological shortcut via Kahneman's System 1 mode will in most cases quickly transfer from plastic packaging to PET bottles for beverages.

Even though more than 95 per cent of all returnable and non-returnable beverage bottles are rationally collected via the German deposit and return system (and for the most part sensibly processed), a feeling of "guilt" and guilty conscience is quickly triggered emotionally if PET bottles are used more frequently. This is especially true for people with a strong sustainability orientation. Among millennials in their current family formation phase, these reservations are becoming increasingly greater.

It is precisely in this area of tension - on the one hand wanting to act in the most sustainable and environmentally friendly way possible, but on the other hand also being able to organize one's own (hybrid) everyday life as efficiently as possible - that SodaStream hit the bull's eye as the communicative market pioneer of the fizzy drinkers. From the point of view of many (younger) consumers, the credible promise of benefits that can be experienced at any time, and the fact that they no longer have to carry it around, makes sparkling water not only more relevant, but also highly efficient thanks to the unbeatable convenience advantage.

The result: a growth phase that has lasted for years for the water sprinkler market leader SodaStream. Compared to 2019, the growth worldwide is said to have been over 20 percent and in the German-speaking region alone, more than 2 billion litres of water were fizzed up with SodaStream in 2020. Due to the growing interest of other manufacturers (in addition to PepsiCo), this development is likely to increase further due to the syrup business and thus strongly "mix up" and press the mineral water market, but also the entire segment of non-alcoholic soft drinks. The "independent treatment" of tap water is thus not only a general beverage trend, but rather a growing attitude of many consumers.

The combination of convenience (less logging) with a good conscience (no plastic waste) has been given an additional boost by public opinion: although consumers were misled by a questionable test system by the magazine "Stiftung Warentest" when comparing tap water and mineral water, many opinion leaders have established the image that tap water is the best-protected food in Germany and that its quality is virtually equal to that of mineral water. Political statements derived from this and calls on consumers to drink more tap water for reasons of sustainability (and to avoid plastic gauze) do the rest to suggest simple relevance advantages to consumers.

Different consumer surveys confirm the dramatic changes in the perception of mineral water. For example, in the representative Hamburg drinking water survey conducted by Forsa in 2020, more than half of all Hamburg residents stated that they regularly drink mineral water; however, the figure for tap water was 71 per cent and tap water is the beverage that is drunk most in Hamburg every day. This is justified by the intuitively better quality of tap water (environmentally friendly, cleaner, more natural, high quality,

more valuable). It should also be noted here that consumers have little actual knowledge about tap water. 44 percent of all Hamburg residents have no idea at all where Hamburg tap water comes from. Almost half of Hamburg's population thinks that tap water comes from groundwater, 16 percent even from springs and only 8 percent stated that the water is chemically treated.

If we look at the occasions in which tap water or mineral water is preferably drunk by Hamburgers, then three contextual themes per mineral water stand out in particular: on the road and when travelling, at work and at school, in the restaurant/café. Ultimately, these are contextual conditions where it is a matter of to-go situations, guest suitability or special moments of enjoyment. And from the consumer's point of view, enjoyment always has to do with better quality.

Doing good for good quality

Having a good conscience, following a purpose, is principally important for consumers. Situationally, however, a good conscience or a value system can be "exceptionally" suspended, because on certain occasions,

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Fig. 1: Water quality in lay consumer perception

alternatives simply fit better or fulfil expectations better in such situations. It is quite different with quality. A consumer will always and at every opportunity demand at least "good" quality.

Often, the scientifically defined quality cannot be equated 1:1 with the perception of quality from the consumer's point of view. From an expert's point of view, the quality of water measured is often a matter of physics, chemistry, process engineering, active ingredients, legal issues, etc. For most consumers, such expert opinions in the respective disciplines often contain too many details that require a more intensive intellectual debate (Kahneman's system 2 mode). Decisions about an intuitively "better" quality are usually made very quickly (System 1 mode). Ultimately, consumers look for easily understandable and credible assurances of better quality (cf. Fig. 1). Seals and specific highlights control perception particularly quickly.

The fact that consumers find it difficult to define the quality of products is a frequent result of various market research studies. As part of the status analysis of specialised beverage markets initiated by VOGÉ and conducted by K&A BrandResearch in November 2020, n=1004 consumers who buy their beverages in specialised beverage markets were surveyed on a representative basis for Germany. Although the reference to mineral water and reusable water is significantly greater in these population groups, only slightly more than half state that mineral water is of particularly high quality (Fig. 2). In the still young Generation Z, a clear loss of image is already noticeable. In addition, it is once again confirmed that tap water is a regular alternative, especially for millennials who shop in beverage stores, and about a third of them already have water sprinklers installed in their homes.

Mineral diversity is rather a difficult proof of quality. Consumers mostly only know calcium and magnesium - followed by carbonic acid. The German Drinking Water Supply Ordinance (TrinkwV) is also regarded by consumers as a guarantee for the high quality of drinking water. In fact, however, the quality of the drinking water is only monitored up to the house connections, and the building owners are responsible for the health safety of the house pipes. In this context, the argument of the so-called "last mile" deserves special attention: numerous risk factors of the drinking water from the pipe to the tap are verifiable and can trigger fears in the form of undiscovered germs that induce behavioural changes. The experience with Corona alone shows us how behaviour can change abruptly in a context-related manner and under collective fear.

Simplicity beats complexity.

In the end, messages for mineral water must also be simple - easy to understand and easy and efficient to integrate into one's everyday life. According to Ralph Ohnemus, CEO of K&A BrandResearch, it is much more important today to think about a brand (or a product offer like mineral water) than to know as much as possible about it. The more sharply and unambiguously brand ideas can be internalised, the faster the brand is remembered in everyday situations when the content is relevant, and the more likely it is to be preferred.

Mineral water brands already exist today that address their markets in a focussed and unambiguous manner with catchy messages on both a large and small scale. The success of Adelholzener is certainly a showcase example: a more concise consumer positioning in a postage stamp format (War Cry: Alpenmineralwasser) makes it possible to quickly identify the brand at any time. Supraregional

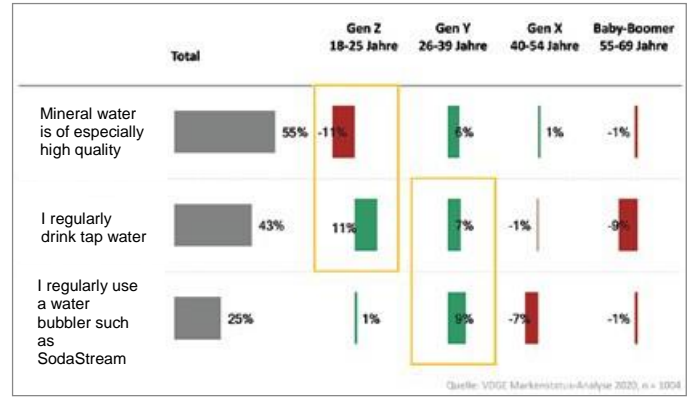


Fig. 2: Attitudes of buyers in specialised beverage markets to water quality, Mineral and tap water

Brands such as Vilsa (Spür die Natur), but also regional suppliers such as Labertaler (commitment to environmental protection in the Upper Palatinate) or Pyraser Waldquelle (from the forests in the family-friendly screw-top bottle), among others, show how a naturalness advantage of mineral water can be successfully staged and lived regionally. In addition, only a few brands have so far dared to offer taste (minerals) and enjoyment. The Teinacher brand "with the maple leaf" has been "the" mineral water brand in the state for decades, promising enjoyment and taste from the Black Forest. Rosbacher, as a sports and vitality mineral water, focuses on the "2:1" formula to the best possible mineralisation of the best-known minerals. And the medicinal water brand Staatlich Fachingen was able to successfully establish itself as a premium brand for wellness and enjoyment among its consumers at an early stage thanks to its drug carbonate content.

As difficult as the conditions for brands may be - even in the mineral water segment - there are always ways to achieve a better understanding among consumers. The courage to focus on the brand and its contexts is a key prerequisite. Understanding everyday reservations about mineral water and the search for new approaches, especially among younger consumers (Gen Y, Gen Z) are, however, an absolute necessity.

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