Executive Summary:

H2U is a project aimed to help the community of Bloomington, IN. Through our service of purified water we want to conquer any potential risks to one of our basic necessities, water. Recently Flint, Michigan was hit by water contamination problems resulting in the lives of many. With Bloomington experiencing allegations regarding water contamination we do not want our community to face this problem in the distant future. H2U is a delivery service of purified water right at your doorstep.

Our area of operation are primarily first year students living in dorms as they spend a portion of their meal points on buying bottles of water. Along with the students our team effectively uses “tag-team” marketing technique to target the student's parents as well. Convenience is a huge factor in terms of decision making for college students. By paying a fee of $250 we will not only be a convenient resource by delivering the water at their doorstep but also ensuring their health safety. Additionally, students and the parents just have to pay the fee once every semester which will adds to their convenience.

In this document we provide:

➢ Our Business Concept
➢ Market and Industry Analysis
➢ Management Team
➢ Product/Service Development Plan
➢ Timeline of our service

The service is expected to be available to students by Fall 2016 after we have tested our product in the summer of 2016. Every student or parent has few essential needs that include purified and clean water and H2U effectively meets those needs.

Business Concept:
At present, the city of Bloomington is experiencing a severe water problem in terms of contamination. Nearby Lake Monroe is the source of the city’s water supply and yet the very chemicals used to purify the water for public consumption have been found to actually make the water more hazardous. Even though the water still meets the EPA standards, many residents do not feel comfortable consuming the water. Additionally, students are seeking alternatives to ensure their safety. Currently students have to use their meal points to purchase a bottle of smart water which might prove to be inconvenient for residents living in foster as they will have to walk to Hoosier den just to buy water.

Since the problem is convenience in terms of access to purified water as a first year college student, our solution addresses this problem by bringing purified water to students in their dorms in convenience. The basis of our idea is that we would provide a service where we would deliver two and a half gallons of water to each resident that signs up for our service and at the end of the week we would return to the students’ residence, pick up the remaining container, drop off a new container, and a week later do the same process using the same two containers per student to limit plastic waste. This delivery system of purified water makes it extremely convenient for students to access purified water. Since majority of first year students depend on their parents to
cover living costs, our target market is parents who are concerned about their children (first-year students) receiving conveniently accessible purified water.

Our service delivers straight to the residence halls therefore requiring minimal effort from students. Also since the delivery service of the purified water is a one-time price before each semester there is no complicated costs incurred throughout the months. This also means that students literally only have to bring water from lobby to their rooms, easier than going to the dining hall and using meal points on some small bottle of purified water. Thus, the problem that we are addressing through our service is convenience.

We plan to test our business concept in the summer semester of 2016. During the summer the campus is filled with international students. They will act as a barometer to how much the students are willing to pay and how the idea should be tweaked to implement in the fall 2016 semester. At the same time, we will market our water delivery service for the new students and more specifically the new student parents at New Student Orientation. Part of this marketing at New Student Orientation will include, students who have been using our test service during the summer semester to talk about the benefits for subscribing to the service. Furthermore, we will advertise our service throughout campus by distributing pamphlets. Then we will start implementing our service and buy high quality reusable water containers to deliver to the students. We will then be ready for the fall 2016 semester to start our venture.

**Market and Industry Analysis:**

Our product H₂U fits in the bottled water industry or more specifically in the home and office delivery portion of the bottled water industry. According to Bottlewater.org, twelve percent of the bottle water industry is the home and office delivery portion. Therefore, having fewer competitors however similar amounts of growth. The bottled water industry accounts for $109.8 billion of the United States Gross Domestic Product (GDP). Since 2003, the amount of gallons of bottled water consumed in the United States market has increased from 21.6 gallons per capita to 32.0 gallons per capita in 2013. In other words, over a decade the amount of water consumed by Americans has had 48% growth. The segment our company is targeting is the Business and Personal Services, specifically Personal Services. This segment is the second largest segment of sales in the water bottle industry in Indiana, where our company is starting. This industry also has low cost. Marketing costs are very slim in the water bottled industry because society needs water no matter how it is marketed to it. Compared to any other beverage industry, the water industry spends a total of $61 million on marketing where the next cheapest beverage spends $90 million on marketing. The marketing materials of our company H₂U will be specified to our target market incoming freshman college students and their parents.

Marketing to incoming freshman college students and their parents have many similarities and differences in most successful techniques to use. According to an article on Studybreakscollegemedia.com, the two most important things to know when penetrating the market of incoming college students, are that college students always have their smart phones on them, and when coming to a new place will want to explore every corner of the new and unknown atmosphere. This means our marketing strategy should revolve around what is called “proximity marketing” or frequently viewable marketing materials. Parents can also be marketed to in a similar way to their students. Entrepreneur.com calls it “tag-team marketing”, chasing the student as well as the parent, who has all the purchasing power. Marketing by means of technology, specifically smart phones is a way of killing two birds with one stone because it is as
important to parents as it is to students. According to a study done by Ruffalo Noel Levitz, 80% of parents have access to a mobile device. However, unlike students, parents are extremely receptive to emotions of guilt. This could also be used to our advantage by sending parents facts about poor water quality in Bloomington, where our first trial will begin. This will create a sense of guilt because the parents need to provide purified water for their children when they first are on their own. All of these marketing strategies have been proven effective to our target markets.

In terms of competitors there is only one close competitor that markets to college students and parents; however, there are several other companies that provide delivery services of purified water but specifically to businesses. The only other direct competitor is University and Student Services. They have partnered with other universities including Arizona State University, University of Arizona, University of Pennsylvania, Loyola University of Chicago, Texas Christian University, Northwestern University, and a few others. They provide services including move in, laundry, and water. Since we specify in water services I believe this will limit our costs and therefore we will be able to more effectively target our specific market with a specific product. We can also target the universities that University and Student Services hasn’t reached yet. There are hundreds of universities and every college student has very similar needs including the need for fresh, clean, and convenient water.

Management team:
The founding members for this project are: Mostafa ElNahass, Bailey Pope, Luis Lopez, Nick Palmer, Soham Bathwal. To assist us with connecting the company to the school we also will have a General Manager for Indiana University.
The team is qualified to deal with the business and management aspects of the organization. Mostafa, Soham and Nick will be responsible for creating the database and programming it to monitor the sales and daily needs since they have a strong programming background. Bailey and Luis will be responsible for the accounting, management and sales side of the business since they have a strong business background. However, the team lacks the skills in water management, environmental management and operations. We will have an advisor for environmental affairs, there job is to be able to test the water sources and find alternative materials to use if there are better materials in the market to use for production of the water tanks. The gaps previously mentioned will be resolved by hiring temporary contractors who will monitor the best water sources, help us with sustainability management and help develop an operations system with the computing team until the project expands.

Product/Service Development Plan:
Purified water delivery to students in need of safe water is important in Bloomington. As a result, bringing purified water to students to their respective dorms for expediency and convenience is our product. The foundation of this particular concept is that we would provide a service where we would deliver two and a half gallons of purified water to each resident that signs up for our service, and then, at the end of one week, we would revisit the residence of students, pick up their empty containers, and deliver a new container of purified water or more, all dependent on the client’s needs.
Purified water in the United States sounds much like a third world country problem, and yet the necessity of quality water for students is obvious. Our product will provide each client (student) with the finest purified water available to ensure their health and safety. With the
growing problems of water impurities as a result of pollution, this concept is an imperative for those students who do not have instantaneous access to safe and reliable water delivery.

As such, the product of purified water will assure that each client receives the best water available with a guarantee of trust in our product. Obviously, repeat business is the key to success, thus the importance of quality cannot and will not be compromised or underestimated. Speed of delivery, health, safety and the assurance of timely delivery is the definitive goal.

With the above approach, potable and moreover safe drinking water delivered to a student’s door will be a successful venture. This will serve not only to please the client, but furthermore provide assurance to the parents of students that healthy water is ever available to their sons and daughters. The importance of the product delivered therefore relies on our responsibility to all students not only with regard to a timely delivery, but additionally a product that they may trust in and continue to purchase.

Timeline:

**Planning**
- Spring 2016
  - Surveys
  - Final Plan
  - Prepare Samples

**Testing & Ads**
- Summer 2016
  - Exchange students
  - Gather Data
  - Advertise
  - Prepare for Launch

**Start**
- Fall 2016
  - Deliver the first tankers
  - Gather feedback
  - Plan for improvements and new ideas