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STRATEGIC BRIEF

PROJECT: TRADER JOE'S AGUA FRESCA

DATE: FEB 25, 2020

BACKGROUND

Trader Joe's is an American chain of retail grocery stores. Since its founding in 1958, Trader Joe's has grounded their brand in the desire to buttress the health of their customers by providing the freshest products at the best value. This mission has helped Trader Joe's to maintain its position at the helm of the competitive niche of "fresh format" grocery stores in the United States.

In Spring 2017, Trader Joe's introduced agua fresca among a line of Latin-inspired food and beverage items for the summer season. Trader Joe's agua frescas were light, non-alcoholic, organic fruit juices containing no artificial sugars or flavorings. Sold in three distinct flavors, pineapple mango, strawberry lime, and hibiscus, the agua frescas retailed for \$2.29 per 32-ounce glass bottle. Despite a solid run during the summer 2017 season, Trader Joe's agua frescas were discontinued in 2018 and have not returned to store shelves since.

BUSINESS CHALLENGE

The "healthy juice" trend is a leading craze in today's beverage market. The perseverance of this trend has led to a significant oversaturation of juice products among food and beverage retailers and grocers nationwide. The wide array of wellness-oriented juice products available constitutes a considerable barrier to any similarly marketed item seeking to breakthrough among the competition and differentiate itself. Trader Joe's agua fresca responds to this challenge through its identity as a wellness juice that promotes health creatively and at the best value.

BUSINESS OBJECTIVES

The desired business objectives of this campaign are to create awareness of and establish a consumer loyalty to this Trader Joe's product by aligning agua fresca with the passion point of promoting wellness at a reasonable value.

COMPETITIVE FORCES

Trader Joe's agua fresca is contesting against two primary competitors: Pressed Juicery and Whole Foods Juice Bar. Pressed Juicery, a popular "it" juicery among millennials and Gen Z, sells cleanse and meal-replacement juices as well as wellness shots, alternative milks, and plant-based ice cream. Juices are sold in small 15 oz. bottles with antique typeface listing all ingredients. All juices are marketed as made with "farm-to-bottle" ingredients sourced in California. Each bottle retails for \$6.50. Customers can also purchase five juices for \$20.00 or invest in a membership. Their brand mission is to make "high-nutrition" a realistic and accessible option for everyone. Pressed also offers delivery.

Whole Foods, the renowned health-conscious supermarket chain, has recently introduced in-store juice bars that use solely organic and in-season fruits and vegetables to blend juices. Customers can choose from a menu of three unique juice recipes aimed at detoxifying the body, aiding in digestion, and rejuvenating one's system or custom blend one's own creation. Juices come in small and large sizes and cost six to seven dollars. Customers can elect to participate in a loyalty program to receive every tenth juice purchased for free.

TARGET

The target of this campaign are females and males aged 18-35 (Gen Z and millennials). This demographic is generally well-acquainted with wellness products as a desire to live a healthy lifestyle is a major passion point. This demographic constitutes a considerable segment of the Trader Joe's consumer base as well. If members of this target are not already Trader Joe's shoppers, they are most likely familiar with the brand and several of its products through social media, friends, or other secondary-influencers.

EXISTING BELIEFS/BARRIERS

A barrier to the success of this communication campaign is twofold. First, considering the significant oversaturation of juice products in the food and beverage market, it may be difficult for agua fresca to generate a strong consumer loyalty. Additionally, it is possible that Trader

Joe's does not boast a strong enough identity as a retailer of wellness juices in order to attract customers to the product.

INSIGHT

Wellness is a dominant psychographic of the target. These motivated, on-the-go young adults are constantly searching for ways to incorporate wellness into their busy lifestyles with ease. This campaign's key piece of insight is that in building a brand around reduced-calorie, organic products that generate customer 'wow experiences,' Trader Joe's satisfies the target's

THE BIG TRANSFORMATIVE IDEA: At Trader Joe's, healthy tastes great. Trader Joe's agua frescas are surprisingly creative, low-calorie, and great-tasting alternatives to conventional juice options that complement your healthy, on-the-go lifestyle. One glass and agua fresca is sure to be in your shopping cart for many Trader Joe's trips to come!

CURRENT PERCEPTION: *"I didn't know Trader Joe's sold this!"*

DESIRED PERCEPTION:

"I knew Trader Joe's sold many organic beverages but now I realize they also sell wellness juices like agua fresca that help me cut calories and satisfy my sweet tooth, too!"

SUPPORT POINTS

- Trader Joe's has already recruited this campaign's target demographic as a consumer base as they align with the brand's mission.
- The Trader Joe's brand is based in providing customers with 'wow experiences' and facilitating a nearly mythical cult following around certain items.
- Agua fresca is an organic beverage containing no artificial flavorings or sweeteners, providing a healthy alternative to sugary juices (e.g. Tropicana)

ADDED VALUE—STICKING POWER

There are several methods of expanding this idea outside the realm of this campaign. One could be offering customers free samples of agua fresca in-store. Another could be coinciding with the product's relaunching with Cinco de Mayo of this year, as it is a Latin-inspired beverage. Stores could set up displays of similarly themed products, either Latin-inspired or wellness-oriented, in storefronts to attract customers.

Additionally, Trader Joe's has underutilized incorporating reduced-calorie and wellness juices into product lines. Seeing as juices are such a major trend in today's food and beverage market, Trader Joe's should exploit this avenue in the future.

PERSONALITY

- Frugal
- Down-to-earth
- Natural
- Simple
- Friendly
- Reliable
- Informed

DELIVERABLES

1. Client Presentation Copy
2. Strategy
3. Creative
 - a. (3) poster ideas in marker layout form