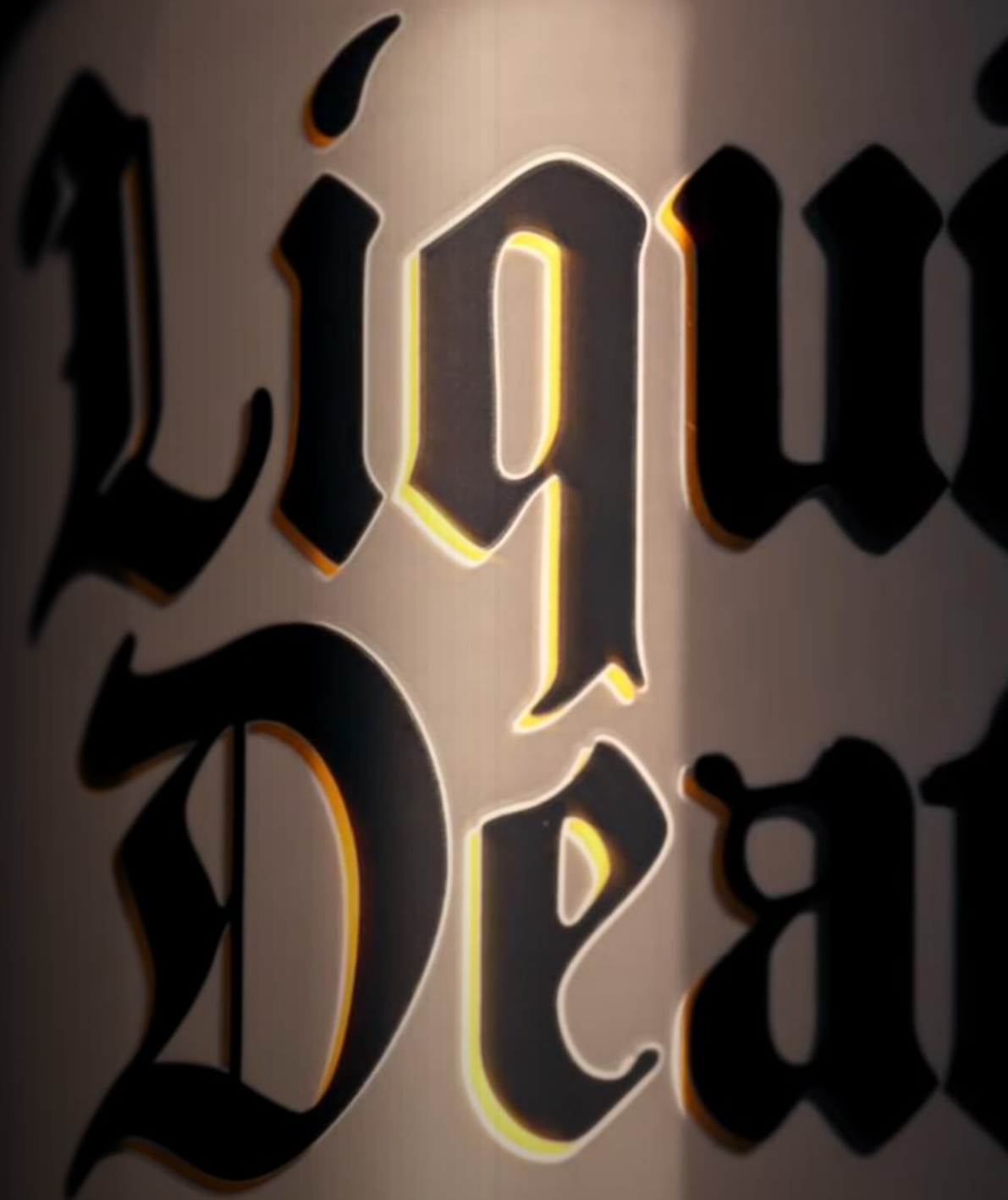




Dean's Case 2023 Solution Deck

Izabella Bajraktarevic | Nicole Feibel | Blake Owen
Brian Petz | Ben Weisfogel | Yejoo Yong



Agenda



Industry Overview

Problem Identification

Recommendations

Implementation

Implications

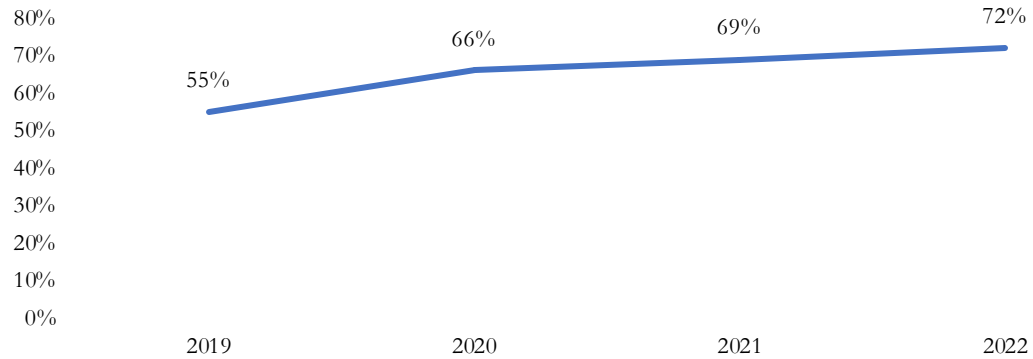
Conclusion



Industry Analysis

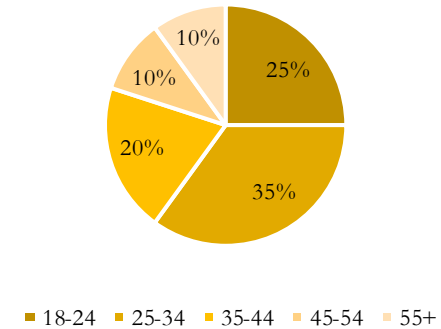
Growth of Eco-Friendly Products

% of Consumer Willing to Pay More for Sustainable Products



Niche Market

Ages of Liquid Death Consumers



Top Competitors



Liquid Death Products

Merch



Teas



Sparkling Water

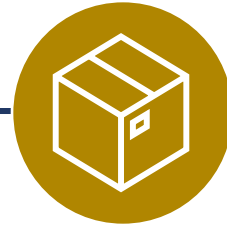


Problem Identification



Dysfunctional Cap Design

The bottles lack an ergonomic design, with users unable to close bottles after opening



Overinflated Shipping Costs

Liquid Death spends 47% of their expenses on Ocean Freight costs, to the dismay of investors



Market Product Line

Liquid Death does not adequately market their expanded product line

Recommendation Overview



Revamped Bottle Design

Create a resealable bottle design featuring the same look of the current design



Reimagine Shipping

By using off-times to ship products, sourcing water domestically, shipping expenses can be reduced



Athlete Ambassadors

Market additional beverage offerings and merch through athletes

Revamped Bottle Design

Liquid Death cans currently feature a single-use aluminum can design

Liquid Death's Desired Audience:

- Health-conscious young adults
- 'Punk-like' adults

Introduce a shiftable tab that encourages freshness, portability, and sustainability

Sample Tab Design



Shiftable tab
to reseal
beverage



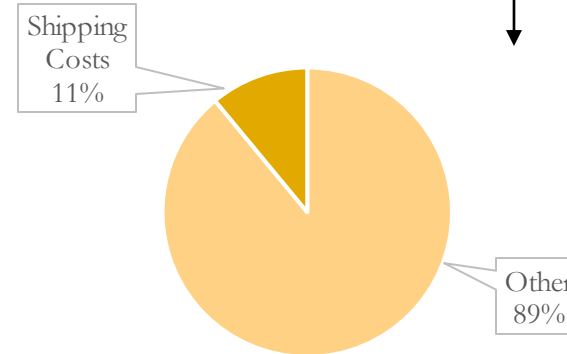
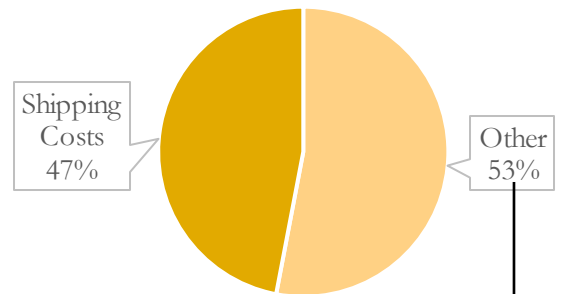
Reimagine Shipping

Liquid Death has spent a large part of its expenses on shipping water and aluminum cans overseas, worrying private investors

By sourcing products from the same country consumers are in, Liquid Death can use land freight instead of ocean freight, making shipping easier and faster

By switching from international to domestic shipping, Liquid Death can reduce their shipping from 47% of their expenses to 11%

International Shipping



Domestic Shipping

Potential Domestic Water Sources



Athlete Ambassadors



Milwaukee Bucks | #34 | Forward

GIANNIS
ANTETOKOUNMPO



Using extended Athlete Ambassadors beyond extreme sports to branch out customer base while staying in niche market

Promote extended product lines beyond water such as iced tea as well as showcasing the skull-branded merchandise

Using these athlete ambassadors beyond traditional marketing pathways like social media and influencer style promotion

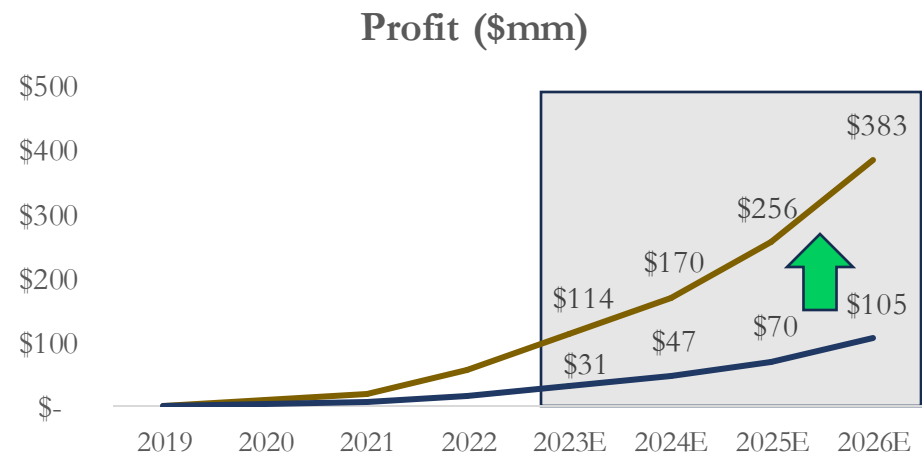
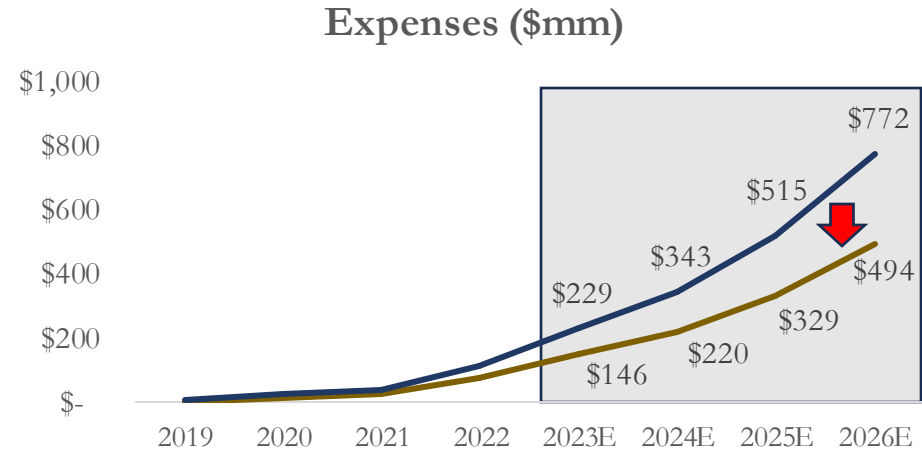
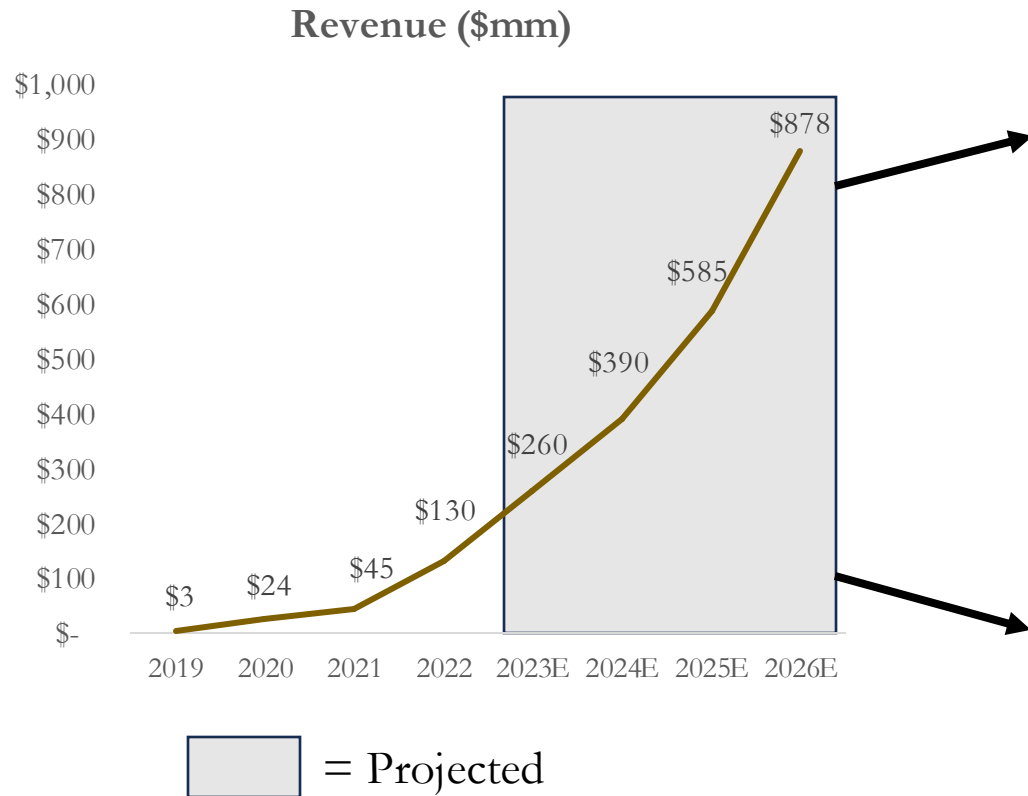


Implementation Timeline

	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1
New Bottle Design									
Design, manufacture, and produce the ergonomic bottle with cap	■								
Social media campaign to advertise the redesign to create awareness				■					
Launch bottled with caps in stores across the US and Canada						■			
Reimagine Shipping									
Investigate and locate potential sources for water to ensure adequate supply			■						
Find domestic beverage manufacturer to streamline the transition					■				
Negotiate reducing production with Starzinger							■		
Athlete Ambassadors									
Negotiate promotional deal with Giannis Antetokounmpo	■								
Launch campaign and implement marketing strategies			■						
Evaluate success of partnership and research other athletes								■	



Financials



By decreasing shipping expenses, Liquid Death can increase its profit margin from 12% to 44%



Key Performance Indicators



Redesign Bottle

- 35% increase in total customer satisfaction
- 12% increase in revenue during the first quarter



Reimagine Shipping

- Shipping fulfillment is received 50% faster
- 60% overall reduction in shipping and freight costs



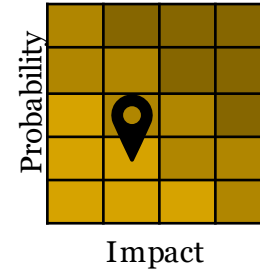
Athlete Ambassadors

- Spend \$10 million on campaigns over two years
- 25% increase in sales for the promoted product line

Risks and Mitigations

Risk

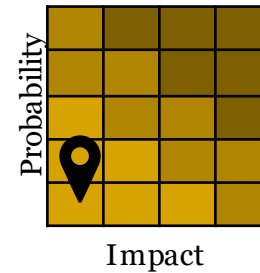
Higher price due to higher manufacturing fee might make product less desirable



Mitigation

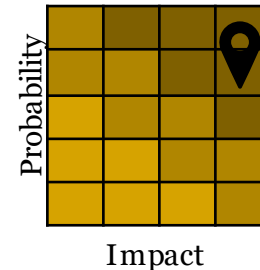
Market as a healthier, and eco-friendly option of beverage, justifying the price

Customer dissatisfaction due to change of water source



Emphasize the reduction in carbon footprint, staying on brand with sustainability mission

Inevitable explicit competition with well-known beverage companies



Actively market our competitive advantage, including sustainability mission and merchandise



Executive Summary

No Resealable Bottles



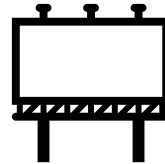
Redesign Bottle Top

Large Shipping Costs



Source Domestic Products

Lack of Product Marketing



Sponsor Athletes



Thank you.
Questions?



Appendix Table of Contents

Appendix A: Expenses Build
Appendix B: Shipping Solutions



Appendix A: Expenses Build

Revenue	(\$mm)	
2019	\$	3
2020	\$	24
2021	\$	45
2022	\$	130
2023E	\$	260
2024E	\$	390
2025E	\$	585
2026E	\$	878

Profit (\$mm)	DOMESTIC	INTERNATIONAL
2019	\$ 1	\$ 0
2020	\$ 10	\$ 3
2021	\$ 20	\$ 5
2022	\$ 57	\$ 16
2023E	\$ 114	\$ 31
2024E	\$ 170	\$ 47
2025E	\$ 256	\$ 70
2026E	\$ 383	\$ 105

Expenses (\$mm)	DOMESTIC	INTERNATIONAL
2019	\$ 2	\$ 3
2020	\$ 14	\$ 21
2021	\$ 25	\$ 40
2022	\$ 73	\$ 114
2023E	\$ 146	\$ 229
2024E	\$ 220	\$ 343
2025E	\$ 329	\$ 515
2026E	\$ 494	\$ 772

Internal documents put Liquid Death's profit margin at 12%, so a 36% decrease in expenses would cause their margins to rise to 44% *

* Source: [Forbes](#)

Shipping = 11%
of expenses

Shipping = 47%
of expenses



Appendix B: Shipping Solutions



DASANI®

SOURCES:
California,
Minnesota, Arizona,
Colorado, and
Michigan

SOURCES:
Connecticut, New
York

GLACÉAU
smartwater®

Poland
Spring
1845
BORN IN MAINE
BRAND®

SOURCES:
Poland Spring,
Garden Spring,
Evergreen Spring,
White Cedar Spring
(Maine)

SOURCES:
California,
Pennsylvania,
Tennessee

ethos
WATER

