



## Accessory or Human Right:

### The social impacts of bottled water

#### Real vs. Perceived Value:

- The real market value of bottled water lies in its perceived social value, a perception companies have worked hard to create. Between 10% to 15% of the price of a bottle of water goes to cover advertising costs.
- The marketing of bottled water took off in North America in the 1990s, a period when cigarette smoking, the fast food industry and its counterpart the soft drink industry, were coming under fire for promoting unhealthy lifestyles. The bottled water industry has been successful at creating a mass market for their product by associating bottled water with a healthy lifestyle and turning it into a status symbol.
- The eight-by-eight formula that prescribes eight ounce glasses of water a day as needed for a healthy lifestyle is used in 'get hydrated or die' marketing messaging. A variety of marketing techniques are used to associate bottled water with images of 'activity,' 'health,' 'relaxation,' and 'pureness.'
- The origins of the eight-by-eight formula and the scientific evidence to support it have been called into question by a growing number of health and medical experts; so has the contradiction of Coca Cola and Pepsi using the 'get hydrated or die' message when they sell dehydrating, unhealthy soft drinks.

#### Manipulating Consumers:

- Wherever there are incidents of contamination or disruption in municipal water systems, companies have been quick to respond with the promise of security, playing on fears about the spread of germs and toxins and a growing lack of faith in governments' ability to provide security through reliable public services.
- Marketing of bottled water has played on market and consumer oriented values in North America where people are encouraged to feel they have the 'power' to 'buy' the 'safety,' 'purity,' and 'health' they crave.
- When the marketing message is taken out of the equation, there is nothing about bottled water that is qualitatively different from tap water, except it is vastly – hundreds and thousands of times - more expensive.

#### Water Privatization

- Effective marketing of bottled water has contributed to diminished confidence in public tap water systems and threatens to make needed funding and investments in public water services less of a priority and privatization of water services more attractive. Cultivating consumers' willingness to pay more for a litre of bottled water than for a litre of gas helps set the stage for public acceptance of privatized water services.





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- Serious questions and concerns are raised where water is privatized. Should ability to pay define who can access water? What are the impacts of this kind of price value? Should profit guide the use of finite water resources that are essential to life itself?
- Water service cut-offs and pre-paid water metres are examples of how privatizing water can cause access-to-water barriers. When this happens, health can deteriorate, household tasks become more burdensome and people go thirsty. Class, race and gender can influence how profound these impacts can be.
- Water has rightfully been considered part of the public or 'commons' and managed on the basis of understanding that there are some areas that should not be left to the whims of the market but rather managed on the basis of meeting a social good – such as ensuring that everyone has access to clean, safe drinking water and that water resource management is environmentally sustainable.

## Beverage Exclusivity Contracts:

- These contracts are increasingly present in public institutions such as schools, universities, colleges, City property and public buildings. They give exclusive rights to a company to sell their products within an agreed upon district, are often long-term (10 years), and negotiated without any meaningful public discussion or debate. In exchange, cash or financial incentives such as scholarships are given.
- Both Coca Cola and PepsiCo have aggressively pursued contracts in schools knowing that capturing the youth market for bottled water is bound to have long-term payoffs.
- School contracts often contain stiff conditions like guaranteed compensation for the company if they are broken and the use of corporate logos on school property. Schools have been obligated to sell an enormous number of corporate products over the life of the contract, if they fail to sell their quota, they forfeit payments or are obligated to extend the contract. Prior to the 1990s, corporations used to contribute cash to schools with no strings attached expecting little more than a mention in a newsletter.
- There are hidden costs to these contracts. At the University of British Columbia, CUPE maintenance staff found that 44% of water fountains were removed or disabled on campus in the first three years of the contract. Darko Matovik, an engineering professor, developed a utility calculator which estimates that vending machines at Queen's university cost \$75,000 to \$175,000 in electrical bills per year – a bill the university foots!
- Taking advantage of the vulnerable financial position that many schools, school boards, universities and colleges are finding themselves in during a climate of cut-backs to public education and growing push for privatization, corporations are providing cash in exchange for marketing opportunities. This raises serious concerns about the growing commercialization and pseudo-privatization of public institutions.





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- Municipal officials are increasingly recognizing the contradiction of providing and selling bottled water in public institutions while trying to cultivate trust in their public water services.

