



# **Aquaviva: after the premium went for the breakthrough**



*A former football representative Dario Šimić is the owner of the company "Živa voda" which bottles Aquaviva*

Over a period of last 10 years Dario Šimić's Aquaviva Water has become one of the best Croatian drinking waters.

After all the success and recognition on the market with drinking water, the company decided to expand to coffee market as well. Their new brand, Vivas coffee, has achieved excellent results in only a few months. After taking over a coffee roaster in Rijeka, they will become the sixth distributors of coffee in Croatia.

The company "Živa voda" with its Aquaviva product records an excellent performance and results in the Croatian market for drinking water for the last 10 years. Their water can be found for drinking in all the leading Croatian companies. Dario Šimić, once a famous footballer, now a successful businessman, for magazine "Best banking", remembers his beginnings in this business, which were not easy.

I started business with the water in 1999. because as a top athlete I knew the importance of true, clean water, so I decided to invest money in production and bottling of water. We opted for a 19 - liter

# m drinking water with coffee

tanks because we wanted to avoid selling in shops.

## ► Technically processed Aquaviva – the purest water in Croatia

In a business with sale of drinking water, sale and distribution is very important in order to reach a level of profitability. “Without the cleverly organized distribution you can’t do anything. It is not quite profitable if the distribution is carried out with one or two vans throughout the city. We transport the tanks for the water with our own vans. Secondly, what I would like to emphasize is perhaps the most impor-

water on the Croatian market. Aquaviva water is without lime, balanced with an optimal amount of mineral salts of calcium and magnesium, it is soft, lightweight and crystal clear. In the process of production we use the most advanced reverse osmosis system. This is a natural process in which water passes through a fine membranes on which all the lime, salt, bacteria and viruses are trapped. With this production method we get “technically the most correct drinking water on the market.”: explains sales director of Aquaviva Miro Kasumović.



*Šimić points out that for the success in this business distribution network is crucial*

tant thing in this business. Water in the tanks must be clean. Since we are dealing with returnable packaging, anyone who sells drinking water must have excellent machines able to clean the empty containers for water even several times. Otherwise there may appear all kinds of different bacteria in the water, which really is not advisable,” says Šimić.

The leaders of the company decided in the beginning that Aquaviva will be a desk, or processed, rather than spring water, which can be filled with lime scale. Such water is not ideal for the “water-cooler” devices because of frequent breakdowns. Many do not know that the treated water is at least equally good if not better than spring water. “There are scientific tests made that shows that the processed Aquaviva water is technically the purest

## ► Water coolers have the HCCP and ISO certifications.

The leaders of “Živa voda” are proud of the fact that their water coolers have certificates of independent American National Standards Institute (NSF), and the bottling plant and all machines have the HCCP and ISO certifications. Also, in 2009 they got the right to use the label Croatian quality of the Croatian Chamber of Economy. Aquaviva is not overly bothered by the market leaders Jamnica, Cetina and Studena. “Because of competition, we focused on the watercooler appliances with filling of nineteen liters or five gallons. We have thus solved the competition problem since they only sells bottles of a liter and a half which are generally found

on store shelves. Also, we have a direct relationship with customers what turned out to be a good deal, although very demanding because we have 6000-7000 clients and returnable packaging. We must monitor if all the machines are operational and maintain them.

In this business you can have excellent sale of water tanks, but the profit is much more important. Costs are high, billing is slow, and all appliances should be maintained, which is very expensive. For all these reasons it is difficult to maintain a good positioning in the market. Also I would like to emphasize that it is very essential besides the quality of our products to have a very good relationship with the customer in both directions. We offer a personal approach and special attention to both our old and new customers.



Gestures that reach the customer through the emotions are permanently remembered. The link with satisfied customers stores warmth and creates a sense of closeness. All this is expected from Aquaviva as well. This product of ours relies, already standardly, on the word of mouth of our customers and there for makes them a real army of propagandists. Oral transmission of information is extremely important to us, said Miro Kasumović. One example of how the company is thinking about the future are the 10 recently opened Vivas bars.

Some are owned by the company and others by the franchise. This is how the company significantly reduced costs and organizations around the distribution. "The consumer can now buy our water in every Vivas bar at discount prices. Each

bar is arranged in a recognizable way. We were looking for a new way to reach customers and to facilitate their access to our products. This has showed to be a good solution. More and more people accept this concept of ours. Recently we launched the bottled water of half a liter on the market, which are durable and very well accepted by our customers, especially children and athletes, explains sales director of "Živa voda" Miro Kasumović.

### ► Aquaviva records results despite a decline in the market with water

Business figures, said owner Dario Šimić, in the last three years were extremely satisfying, especially considering

the fact that the total market for drinking water, according to some data, fell for around thirty percent in that same period. Recently, they decided for another bold move.

We threw a new product at the market, Vivas coffee. Coffee is closely associated with drinking, so we wanted to make use of our knowledge of the distribution. We've hired people who are top experts. People recognized our quality, and in six months we have made a very good success and entered about 200 well-known cafes. Still, we want to continue to develop. At the moment we are in the process of connecting with a coffee roaster from Matulj. We will take over their market in Rijeka and Pula, and thereafter we'll be the sixth of coffee distributors in Croatia. I think we can do espresso at least at the same top



*Dario Šimić and Miro Kasumović in front of Aquaviva "watercooler" machine*

level as it is in Italy, and even better.

So I decided on this bold move because it is known that there is a great competition on the coffee market" concluded Šimić who has ambitious plans for his company in the future. Very soon there will be opening of the Lounge bar in Tklačić street where the people of Zagreb will be able to enjoy a new club and bar with theme nights. As far as business expansion, Aquaviva now wants to be No. 1 in Croatia, where the profitability secures a leading position and in the near future Šimić does not exclude the spread to neighboring countries. ||



*Miro Kasumović, sales director, holding a half-liter bottle, which is a new product of this company*





*Business building Aquaviva is located at Zagreb Žitnjak*



*Bottling plant is equipped following the highest standards*