<sup>°</sup> h/16<sup>m</sup>

## Liquid Death

CASE STUDY 2024



SPARKLING WATER



## CASE STUDY 2024

THE ICONOCLASTIC ORIGINS

- THE THREE PILLARS OF ABSURD MARKETING
  - EXPANSION AND GROWTH
  - THE POWER OF PACKAGING
  - DIVERSIFICATION AND INNOVATION
    - FUTURE PERSPECTIVES



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### MIKE CESSARIO CEO OF LIQUID DEATH

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## The Initial Click

The spark that ignited the idea of Liquid Death dates back to the 2000s when Mike Cessario, the founder, attended an alternative music concert sponsored by Monster Energy.

Contrary to expectations, the touring bands preferred drinking fresh water over energy drinks. Monster, as the official sponsor, did not want artists drinking bottled water on stage as it would harm their brand image. Their ingenious solution was to fill Monster cans with water, making the audience believe they were drinking the energy drink.

This trick planted the seed of the idea in Mike Cessario's mind, questioning why healthy products like water weren't marketed in a fun and appealing way like unhealthy products.



## Proving the Concept

Before materializing his idea, Mike Cessario needed to prove that Liquid Death would attract consumer interest.

In 2018, he created a 3D rendering of his can design and launched a Facebook page pretending Liquid Death was a real product. He also shot a two-minute commercial featuring an actress carefully handling a white can.

The gamble paid off. In just four months, the video garnered 3 million views, and the Facebook page attracted nearly 80,000 followers, more than Aquafina at the time. People were fascinated by the novel and bold concept, sending hundreds of messages and positive comments.

This buzz convinced investors of Liquid Death's potential. After two years of seeking funding, Mike Cessario raised \$1.6 million from Science Ventures in January 2019, allowing for the official launch of the brand.



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SPARKLING WATER





## The Three Pillars of Absurd Marketing

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## **RADICAL DIFFERENTIATION**

Liquid Death carved out a unique identity by blending a bold brand with an equally audacious name. Their can design, with its melting skull logo and black-and-white palette, sharply contrasts with the traditional pastel-colored water bottles with bucolic images. Beyond packaging, Liquid Death positioned itself as a brand aligned with alternative culture, punk music, and a rebellious lifestyle. They partnered with celebrities like Tony Hawk and Whitney Cummings, sponsored music festivals, and created original content like animated videos, comics, and songs.

## **CAPTIVATING ENGAGEMENT**

Mike Cessario claims that Liquid Death isn't in the traditional marketing business but in the entertainment business. Instead of focusing solely on selling water, they stand out by creating captivating, humorous, and unique content that grabs attention on social media. Their ads and viral videos play on dark humor and provocation, challenging conventional bottled water marketing. This approach has generated massive social media engagement, with over 3.4 million followers on Instagram, 5.5 million on TikTok, and more than 250,000 members in their "Country Club" loyalty program.

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## **POSITIVE SOCIAL IMPACT**

Beyond its rebellious and provocative image, Liquid Death emphasizes its commitment to the environment and sustainability. Their aluminum cans are infinitely more recyclable than plastic bottles, and a portion of their profits goes to organizations fighting plastic pollution. This ecological dimension adds a touch of social responsibility to the brand, balancing its provocative image and showing that absurdity can also serve a noble cause.



As part of the collabs, legendary skateboarder Tony Hawk and Liquid Death, offer a limited edition skateboard, adorned with red paint containing real blood of Tony Hawk.

Liquid Death who use a punk rock style to promote their mission to fight plastic bottle waste. Tony Hawk, 53, a retired athlete and entrepreneur, doesn't hesitate to lend his viral credibility to support another artist or help a young skateboarder get a new board.





As part of a collaboration with ELF, Liquid Death has launched a range of body paint products designed specifically for Halloween. This collaboration promises bold and spooky looks for the holiday season.

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As part of a promotional campaign for Metallica's M72 World Tour, legendary rock band Metallica has teamed up with Liquid Death. This partnership included, among other things, co-branded limited edition items, such as t-shirts and sweatshirts, etc.

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## DEATH METAL. The 100% recyclable kind.

Liauid Déath

Bottles are for genies, floating messages and landfills. Liquid Death Mountain Water comes in an air-tight aluminum can that can be recycled and repurposed again and again and again. It's got such a lengthy lifespan, it's practically immortal. Death metal.

RECYCLE YOUR CORPSES.

It's a common custom to bury the dead. Or sink them in the ocean, in the case of plastic bottles. Well, that shit's not for us. We believe death is just the beginning That's why our cans are infinitely recyclable.

2 mart

Aluminum, Hell yeah, Plastic, Hell no.

Palli

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PURE MOUNTAIN WATER FOR IMPURE SOULS. On the one hand, calling Liquid Death pure is a laugh. An evil laugh. On the other hand, it is pure. Pure mountain spring water made even purer by a one-of-a-kind distillation process. But no matter how high its quality, no matter how refreshing its taste, its unclean purpose remains a cold, hard truth: ending the thirst of tainted souls and sinners the world over.

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Liquid Death



## Expansion and Brooth



## AN OMNIPRESENT PRESENCE

Liquid Death is now present in over 113,000 retail locations in the US and the UK, from chains like 7-Eleven, Target, and Publix to specialty grocery stores like Whole Foods. It is also the bestselling still and sparkling water brand on Amazon, demonstrating its appeal to online consumers.

## SALES GROWING EXPONENTIALLY

In terms of revenue, Liquid Death has experienced exponential growth since its launch. From \$2.8 million in 2019, its sales soared to \$45 million in 2021, reaching \$267 million in 2023, making it the fastest-growing water and iced tea brand according to SPINS research group.

## A RECORD VALUATION

The success of Liquid Death has not gone unnoticed by investors. After raising over \$189 million in eight funding rounds, the brand reached a record valuation of \$1.4 billion in 2024, a remarkable feat for a company that essentially sells water. This high valuation reflects investors' confidence in Liquid Death's potential to expand beyond its initial product and capitalize on its strong brand identity to conquer new market segments.





## The Power of Packaging

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## THE "TALLBOY" CAN

One of Liquid Death's most distinctive elements is its 16.9ounce "tallboy" can, a format usually associated with craft beers and energy drinks. This bold choice allowed the brand to stand out from traditional plastic bottles and reinforce its rebellious and alternative image. Additionally, the aluminum can is infinitely more recyclable than plastic, perfectly aligning with Liquid Death's environmental commitment.

## **A PROVOCATIVE** DESIGN

The design of the Liquid Death can is as provocative as its name. With its melting skull logo and black-and-white palette, it stands out on supermarket shelves, inevitably attracting consumer attention. This bold and uncompromising design reflects the very essence of the Liquid Death brand: a rebellion against the traditional marketing codes of bottled water, a celebration of authenticity and difference.

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## MEMORABLE PACKAGING

By opting for such distinctive and memorable packaging, Liquid Death has managed to transform a mundane product like water into a true drinking experience. Consumers, particularly younger generations hungry for novelty and authenticity, were seduced by this daring and irreverent Rent approach. This ability to turn a core product into a memorable and engaging experience was a key driver of Liquid Death's viral success.







## Diversification and Innovation

## NEW PRODUCT RANGES

In 2020, the brand launched a line of flavored sparkling waters with irreverent names like "Berry It Alive" and "Severed Lime." This product line extension allowed Liquid Death to capture new consumer segments while staying true to its provocative DNA. More recently, the brand entered the iced tea market with its "Liquid Death Iced Teas" line, offering bold flavors like "Severed Peach" and "Nuke Ranger."

## DERIVATIVE PRODUCTS AND MERCHANDISING

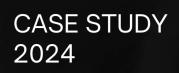
Beyond its beverages, Liquid Death capitalized on its popularity by developing a range of merchandise and accessories for its most devoted fans. From t-shirts and caps to mugs and accessories, these items allow consumers to proudly display their affiliation with the Liquid Death universe. This merchandising strategy not only strengthens community engagement but also generates additional revenue for the brand, representing about 10% of its annual sales.

## IMMERSIVE EXPERIENCES AND EVENTS

To keep its fan base engaged and attract new followers, Liquid Death also invests in immersive experiences and events that align with its rebellious identity. From music festivals to extreme sports competitions, the brand strives to create memorable moments that reinforce its image and connection with its target audience. This experiential approach allows Liquid Death to stand out from traditional marketing campaigns and anchor itself firmly in popular culture, thus reinforcing its cult brand status.









## Future Perspectioes



## **INTERNATIONAL EXPANSION**

After conquering the American market, Liquid Death now has its sights set on international expansion. The brand has already entered the UK market and is actively exploring other promising markets, aware that its bold and provocative concept could appeal to consumers worldwide. This international expansion represents a significant challenge, as it will require adapting the brand identity and marketing strategies to the cultural specifics of each new market. However, if Liquid Death manages to replicate its success globally, its growth potential will be truly limitless.

## **NEW PRODUCT CATEGORIES**

Building on its experience in diversifying its product lines, Liquid Death is already considering venturing into new product categories beyond beverages. From healthy snacks to dietary supplements and sports items, the brand seems determined to expand its footprint and challenge conventions in multiple industries. This expansion strategy could be risky, but it perfectly aligns with Liquid Death's iconoclastic spirit. By staying true to its provocative identity and continuing to surprise its fans, the brand could successfully conquer new territories and consolidate its status as a cultural phenomenon.

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## SUSTAINING AUTHENTICITY

The biggest challenge for Liquid Death will undoubtedly be preserving its authenticity and rebellious aura as it grows. Like many brands before it, it risks falling into the trap of over-commercialization and losing what made it initially charming. However, if the brand manages to stay true to its core values while continuing to innovate and surprise, it could become a model for future generations of brands seeking authenticity and consumer engagement.

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### REF:

- HOW WATER IN A CAN BECAME A BILLION-DOLLAR BUSINESS
- MARKETING
- UNHINGED OR GENIUS? DECONSTRUCTING LIQUID DEATH'S MARKETING STRATEGY
- <u>16 LESSONS I LEARNED FROM STUDYING THE \$700M BRAND LIQUID DEATH</u>

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# Liquid Death

 HOW LIQUID DEATH'S 40-YEAR-OLD FOUNDER TURNED 'THE DUMBEST NAME' INTO A \$700 MILLION WATER BRAND LIQUID DEATH MARKETING STRATEGY CASE STUDY: SLAYING THE BEVERAGE INDUSTRY WITH KILLER BRANDING AND

ALL ILLUSTRATIONS USED BELONG TO THEIR **RESPECTIVE OWNERS.**