

The hard (liquor) sell





Drinks brands do battle with ad campaigns. **Sue Burden** considers the key consumption trends

THERE ARE many reasons to advertise. One of the most common in consumer markets such as alcoholic drinks is to take advantage of markets showing growth trends. Although the UK alcoholic drinks market, as measured by TNS AlcoVision, is not in growth at a total level, there are some small, but very significant, increases in certain categories. TNS AlcoVision covers on- and off-trade consumption and is based on 20,160 interviews with adults, spread evenly over each month and representative of the UK population. They provide a comprehensive picture of what the consumer is drinking, where they're going to get drinks and why.

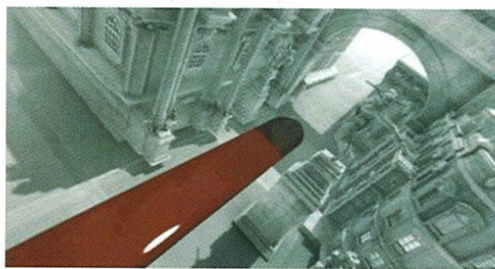
It's interesting to see that wherever there's even a small margin of growth, this often coincides with increased advertising activity from the brands in that sector, as they all fight to get the lion's share of the growth.

Battle of the Russians

One key area of growth in off-trade consumption in 2007 was spirits, and specifically vodka. This was primarily driven by the 18-34 age group. In response to this trend, in 2007 there were 15 new TV ads for spirits and 11 of those were ads for vodka. The activity in 2007 could be described as "the battle of the Russians", as we saw the long-term leader, Smirnoff, reacting to the newcomer, Russian Standard (advertising featured left), and the well-known Russian brand, Stolichnaya, also wading into the fray, all with new TV ads. All three brands were trying to project a premium image, but interestingly, each went about this in a different way.

With a name like Russian Standard, you'd be forgiven for thinking it would be an "ordinary" vodka, but the advertising goes out of its way to project a premium image – the man drinking Russian Standard is wearing a suit and tie, his designer stubble adding to the look of a young professional enjoying a night out in a sophisticated bar. The young lady who beckons to him is also dressed in the height of fashion and has the same understated style. The ad's voiceover states that the brand is Russia's number one premium vodka. So, sophisticated, premium and number one in Russia – a strong, confident message from a new brand making a challenge for some of the consumption growth in this sector.

Of course, there are many ways to express premiumness in advertising and with Russian



Leadership skills: Smirnoff's ads are sophisticated and humorous

Standard taking the sophisticated stance, Stolichnaya chose the route of genuine authenticity. Their TV ad uses an animated style reminiscent of propaganda posters of the 1930s Stalinist era and incorporates just about every Russian stereotype, from slow-marching soldiers to monolithic buildings, sputniks, Yuri Gagarin, Lenin and dancing Cossacks. They can't claim, like Russian Standard, to be the number one premium vodka in Russia, but they were the first Russian vodka to be exported, so that's what they tell us, adding to an image of being an authentic, leading brand.

Before Russian Standard launched its challenge, the market leader Smirnoff was busy supporting its premium positioning via another route often used in the UK by alcohol brand leaders – a campaign exemplifying the brand's cleverness and dry sense of humour. Its TV ad shows the North Sea throwing sunken objects out into the air, surprising the sailor who's just jettisoned a beer can. The objects become

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P-p-p-pick up a pink wine: Mateus Rosé re-launches in 2007

larger and larger and increasingly bizarre, from the Viking ship to a World War Two Spitfire and a battleship. The sea becomes clearer and with the title "Extraordinary Purification" we (hopefully!) conclude that the ad's action represents the purification of Smirnoff. The epic scale of the ad reflects the brand's leadership status and here, premium is expressed by the clever, non-obvious humour.

These three brands are still battling for the vodka sector growth, with Russian Standard issuing new ads in their series. Interestingly, Smirnoff has responded to the challenge this April, with a new ad that tells the history of the brand that was honoured by the Tsars for its purity and was then kicked out following the Russian Revolution, before finding a home in Europe and worldwide popularity. This ad promotes a limited edition bottle, but one can't help feeling that it is a brand leader stung by the market followers into revealing its genuine Russian origins.

Wine benefits from a '70s revival

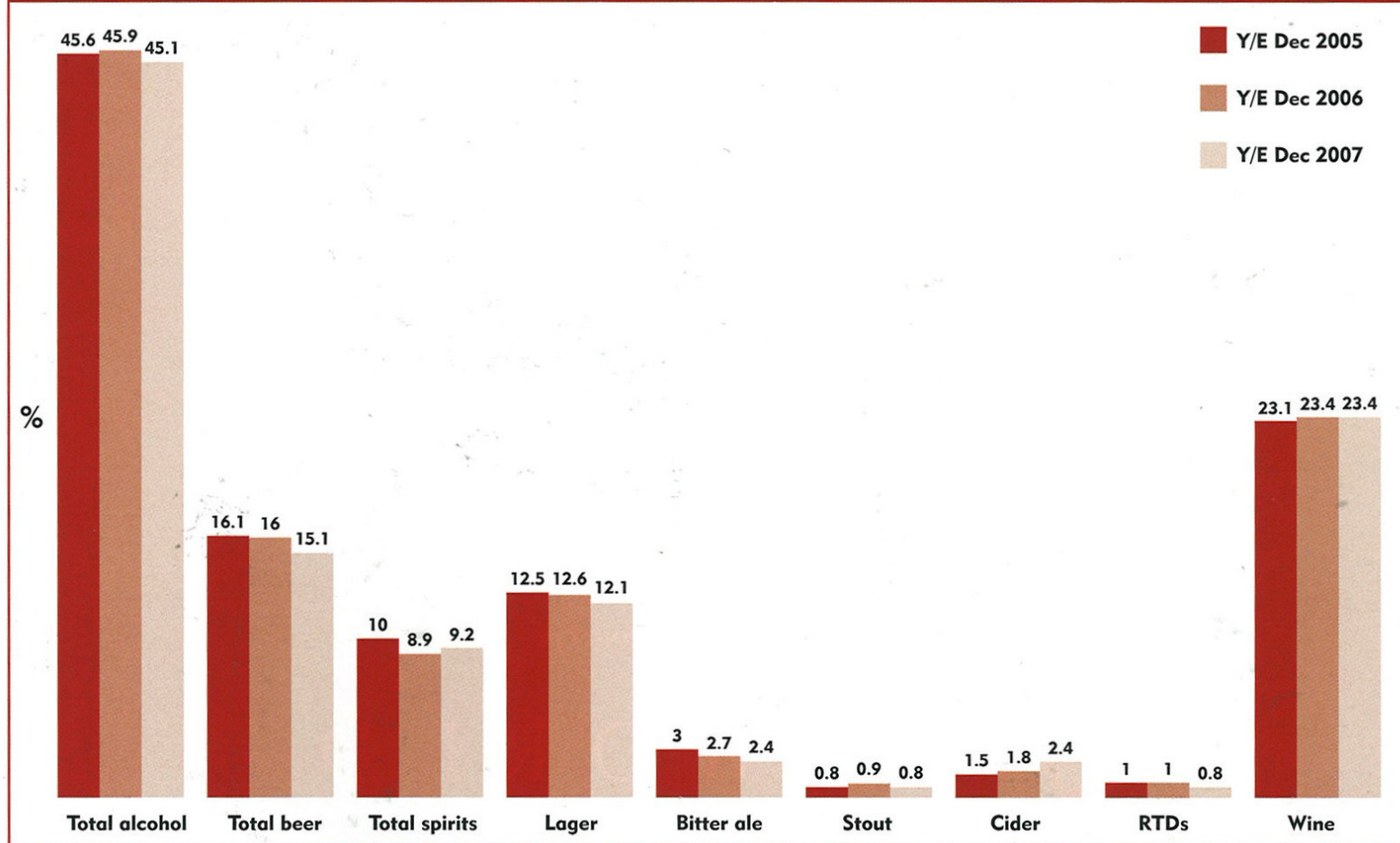
Wine consumption from off-licences remained static in 2007 – with alcohol consumption as a whole slightly decreasing. This is a positive development for wine, the largest off-trade sector. Growth in wine consumption via the off-trade is driven by the over-50s, something that is likely to have encouraged First Drinks to relaunch the 1970s iconic brand, Mateus Rosé. This versatile wine was probably one of the first the over-50s tasted in their youth, when it represented the epitome of style and sophistication – so it is likely to hold positive memories for them. The TV advertising for Mateus Rosé, the wine known for its broad appeal, also features a widely appealing bird – the penguin, plus popular music from Touch & Go.

Net advantages

The category that has seen the greatest fall in off-trade penetration is lager – a drop of 0.5% in 2007 vs 2006 – although it is still the second largest off-trade category after wine. Here there were around 26 new TV ads in 2007, for Budweiser, Heineken, Carlsberg and others, but this sector particularly benefited from

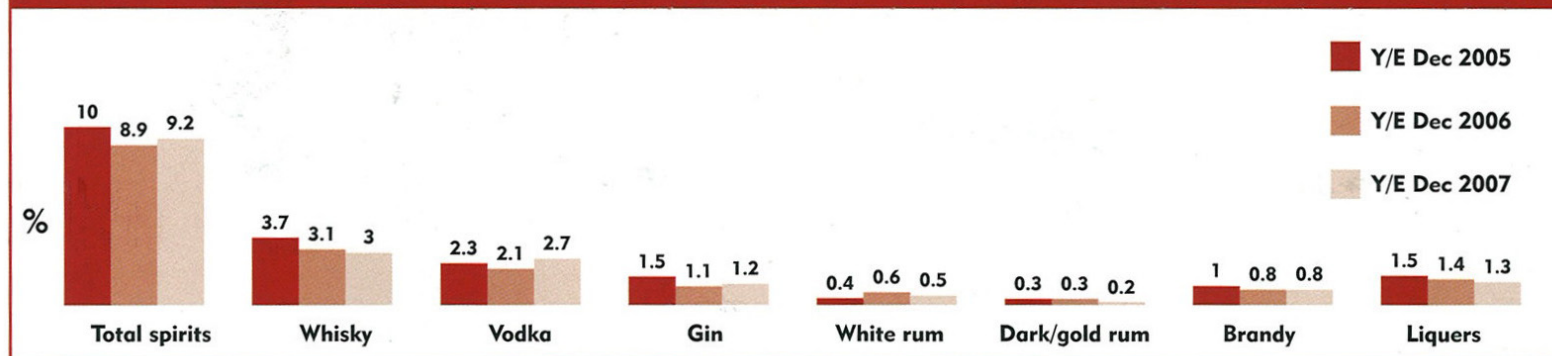
Penetration of alcohol categories: off-trade

Source: TNS



Penetration of spirit categories: off-trade

Source: TNS



the growing trend of advertising, be it sponsored or consumer-generated, appearing on social networking sites. In an increasingly tight regulatory environment, beer ads became "sponsored entertainment". This reputation for fun has prompted many consumers to focus on beer ads when creating, viewing and sharing funny ads on sites like Youtube, where there are 4,680 "ads" for lager alone, plus a staggering 6,730 "ads" for Bud Light.

Here we can see the advantage that the international brands enjoy. There's a much bigger

pool of material for web contributors to use from all over the world – some of it very high quality and some that might have come from the brand themselves, even if in a roundabout manner. One example is an ad for Bud Light, featuring two women looking at a dating website. This was a speculative ad produced for the Superbowl, shown on Myspace and Youtube. It is not endorsed by Budweiser. It shows Bud Light as aiding sexual attraction, something banned from UK TV ads for many years – another latitude that the brands with "ads" on Youtube can benefit from. Of

course, laughing at an ad on Youtube increases that brand's top-of-mind saliency, making it more likely to be the one that the purchaser reaches for in an off-licence. Now, it isn't just because a brand is spending more on TV that it merits a listing – it is also important to know how much word of mouth it gets from consumers – a growing trend that the brands with an eye to future success are keen to promote.

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