

Alcohol Beverages

Sponsored by



Carlsberg
Irish International BBDO

Making Much Loved Advertising Much More Effective

COMPANY PROFILE

(See Page 29)

INTRODUCTION & BACKGROUND

Carlsberg has a long heritage of greatly loved advertising but this has not necessarily always been effective at convincing enough people to fall in love with the brand. Our challenge was to continue the tradition of creative excellence but make the advertising more effective at making people love the Carlsberg brand.

Improving Carlsberg's advertising was not going to be an easy task. For many years Carlsberg had enjoyed a reputation for really fantastic commercials. Films showing the banks, nightclubs, World Cup performances and flatmates that 'Carlsberg don't do, but if they did' had entered the pantheon of all time great Irish advertising. The copy line 'Carlsberg probably the best lager in the world' had become a universally believed catchphrase. The cleverness, insight and imagination that made the advertising so popular wrapped themselves around Carlsberg and its drinkers and became a key distinguishing feature for the brand.

However by 2005 the Carlsberg 'Don't Do' campaign was running out of steam. Carlsberg was being cast in the shadow of its more outgoing, glitzier and louder continental rival Heineken. Loyal Carlsberg drinkers were

forgetting why they loved Carlsberg and the brand's upward steady growth trajectory had stalled.

MARKETING OBJECTIVES

Carlsberg was introduced to the Diageo portfolio of beers in the late 1980s and had enjoyed a steady growth trajectory up until 2005. But distribution difficulties combined with difficulties in finding a powerful successor to the iconic 'Don't Do' campaign and the quality and quantity of the Heineken marketing investment had widened the gap between Carlsberg and the market leader.

Heineken was the dominant and clear number one lager in the Republic of Ireland and had nearly twice as many loyal drinkers as Carlsberg. The prediction was that trend was set to continue, although the year on year growth would slow down.

Continental lagers are an important and growing part of the Irish beer market and to maintain its position as the leading drinks company in Ireland it was vital that Diageo had a strong contender in this sector - Lager accounts for 39% of the parent company's beer volume (*Source: Diageo internal sales*). Brands are like sharks, unless they are moving forward they will ultimately die, Carlsberg needed a boost to keep it swimming with its rivals.

A STATEMENT OF INTENT

The marketing objective was simply set: To step change Carlsberg's growth, gaining share by reassuring the hardcore of existing Carlsberg drinkers of their choice and recruiting new loyal drinkers from the large pool of lager drinkers who already thought Carlsberg was a great brand but didn't choose to actually drink it all that often.

The place to gain most share was from the 25 to 35 year old male beer-drinking core of the market...that's where the volume lay.

THE TARGETS

Achieving a step change in Carlsberg's growth would take considerable investment in marketing support. We calculated that to obtain growth,

brand values would have to rise across the key measures of: affinity, quality, distinctiveness, and awareness.

To achieve this in a highly competitive market, as a number two brand up against a strong market leader and changing market dynamics would not be easy. All the elements of the strategy would have to be spot on. And in the lager market, where product distinction is very hard to achieve, marketing communications and especially advertising would be the major weapon in the battle for the hearts, minds and throats of Irish beer drinkers.

THE TASK

The interim campaign that ran for Carlsberg in 2006/07 ‘So Good the Danes Hate to see it Leave’ had done a good job in building up a positive Danish provenance for the brand and reinforcing the perception that Carlsberg is a great quality beer. But Sadek Wynberg Millward Brown research had told us that ‘communicating the brand’s provenance is necessary but not sufficient’.

We needed to build affinity for the brand with new drinkers, in a market where drinking behaviour and social attitudes had changed and up against a very strongly entrenched competitor.

In terms of advertising our major competitors’ sheer weight of media spend – in some cases outspent by three to one (2006 SOV: Carlsberg 5.3%: Heineken 17.1%) – was combined with a consistently high quality of creativity.

While Ireland is a very sophisticated advertising market it’s getting harder and harder to see a ‘lean-forward’ response to advertising as consumers become more and more conditioned to excellent advertising from here and around the world.

Furthermore due to media fragmentation and the growth in digital media television is being toppled from its pre-eminent position as a way of reaching ‘twentysomething’ men. In this new media landscape successful brands need more than just TV spots; they need big ideas that can run across all touch points with the consumer, integrating all the messages from the brand into a coherent whole.

THE STRATEGY

For loyal drinkers hugely imaginative and widely admired advertising had defined Carlsberg and its drinkers in the past. Even those drinkers with a propensity to adopt Heineken had a respect for Carlsberg and its hugely entertaining advertising. But they didn't see this as enough of a reason to change their choice. Just being entertaining would not be enough to convince the wider target.

INVESTIGATING THE BRAND

At a rational level both Heineken and Carlsberg drinkers respected Carlsberg but the area of how the two brands made their drinkers look and feel was where the differences lay.

At one extreme of the spectrum there were hardcore Heineken loyalists who were attracted to their brand because it made them feel socially magnetic, 'cool', stylish and fashionable.

At the other extreme were hardcore Carlsberg loyalists who were attracted to their brand because it made them feel intelligent, sensible and discerning. We identified that the opportunity lay in the middle ground.

If we made the Carlsberg brand more socially magnetic we could attract lager drinkers who felt Heineken was sometimes a bit 'too cool for school' and occasional Carlsberg drinkers who were concerned that Carlsberg made them feel like a 'social wallflower'.

Through research we set off to tightly define the essence of Carlsberg:

Integrity: encompassing the Scandinavian heritage of the brand, its real beer credentials and its lack of pretentiousness.

Excellence: encompassing the exceptional focus on brewing quality, the strong tradition of great advertising and the quality of liquid.

Imagination: defining how the brand talks and walks - with inspiration and imagination and connecting with the possibilities inherent in the 'Probably' line.

Imagination energises Integrity and Excellence while Excellence and Integrity

Silver Award - Alcohol Beverages
 Carlsberg
 Irish International BBDO



Carlsberg Comedy Carnival
 FRESH GARDENS
 THURS 24, FRI 25, SAT 26 & SUN 27 JULY

"I'm going to rock your world in quite a gentle way."
 - David O'Doherty

Probably the best comedy in the world
www.carlsbergcomedy.com



It's never just **A** or **B**, there's probably **C**

A: New Gaffer
B: New Stadium
C: New Era

Check out your football options on www.Livelt.ie

Official Sponsor of **EURO 2008**
 Enjoy Carlsberg Sensibly Visit www.carlsberg.com

It's never just **A** or **B**, there's probably **C**

A: The Boss B: The Gaffer
C: Il Primo

Check out your football options on www.Livelt.ie

Official Sponsor of **EURO 2008**
 Enjoy Carlsberg Sensibly Visit www.carlsberg.com

keep Imagination in check. Imagination + Integrity + Excellence + Energy = Social Magnetism.

We also closely identified the Carlsberg brand personality as:

- Witty
- Clever
- Quirky
- Understated

Consumers see a little of themselves in the brands they adopt so these personality traits would be highly persuasive in developing affinity and helping to communicate the social magnetism that we needed to unlock.

Getting to know the drinker

We typified the drinker with the greatest propensity to be attracted to Carlsberg as having left their carefree student days behind. He is 28 years old. He is progressing in life. He is a 'decent skin', full of integrity. He values social success – he likes to be thought of as a bit of a joker, the one with the wry view of things and quietly at the centre of attention.

This analysis led us to a powerful consumer insight

Our targeted drinkers are progressing in their lives and beginning to settle down but they still want to be (and be seen as) fun and a bit unpredictable.

SEARCHING THE OVERLAP

It was easy to see where the Carlsberg values of integrity and excellence fitted into our targets' lives; integrity because they respect and value a lack of pretension and excellence because it reflected their progress in life.

The 'ah-ha' moment came when we hit on a way of expressing imagination that caught the target market's desire for unpredictability and fun.

Imagination is about thinking outside the box, it is about being unpredictable... being unpredictable is fun... being unpredictable makes you socially interesting...living beyond the obvious is a more positive and controlled expression of unpredictability. We distilled this thinking into a key brand benefit:-

'Drinking Carlsberg signals I can live life beyond the obvious!'

THE IDEA AND COMMUNICATION ACTIVITY

We needed a creative idea to dramatise the key brand benefit. This would act as a springboard to world class communications that would continue the Carlsberg tradition of much loved advertising and convince the target market that drinking Carlsberg really did signal that they can live beyond the obvious.

A number of creative routes expressed as outline TV scripts were explored in three phases of development. Sadek Wynberg Millward Brown using group discussion and depth Interview techniques qualitatively researched these. One route came to the fore.

The idea we identified as offering the most potential came to be expressed as

‘When faced with two options the Carlsberg drinker shows he thinks beyond the obvious by finding an unexpected third way’

...or for short ‘There’s A, B and probably C’.

MEDIA STRATEGY

Whoever they are, lager drinkers have very similar media consumption patterns but by communicating across a broader mix of connection points (such as digital and the innovative use of sponsorships and promotions) we could push Carlsberg more into the spotlight. By being more innovative and using media in unexpected ways we could communicate beyond the obvious in a manner true to the key brand benefit.

So far three television commercials have been produced to the ‘A, B or C’ idea. In each of them we have set them in contexts that are familiar to the average lager drinker and evoke an ‘I wish I’d thought of that’ reaction. All have the intelligent humour that Carlsberg advertising is famous for.

- The first ‘Boyfriend’ showed the Carlsberg Drinkers going beyond the obvious - when faced with the dangers of chatting up a girl in unfamiliar surroundings.
- The second, ‘Aon Focail’, showed the Carlsberg drinker going beyond the obvious and resorting to his schoolboy Irish to charm himself out of a potentially embarrassing situation while on his travels.
- The third commercial ‘Beautiful Game’ was part of a wider plan.

For many years Carlsberg has been a major sponsor of football – a passion for our target market and an integral part of the brand equity. Also Carlsberg was an international sponsor of Euro 2008. Unfortunately Irish soccer had waned and we had not qualified for the finals. The challenge was to leverage the Carlsberg football connections in ways that went beyond the obvious. An integrated plan was hatched.

Above-the-line, on television football was to be used as the context for ‘A, B or C’. This led to the ‘Beautiful Game’ film that used the past heroes of Irish soccer to humorously comment on the current situation facing Irish soccer fans and evoke the shared memories of the halcyon days. This commercial ran heavily in the run up to and during the TV coverage of the finals – giving Carlsberg a relevant presence during this appointment viewing.

Below-the-line a website (liveit.com) was set up that gave Irish fans something to be interested in despite our team not being involved in the finals. Euro 2008 themed promotions were carried out in the take-home trade so that Carlsberg was involved in the enjoyment of the occasion – even if our team wasn’t. Themed outdoor advertising helped to get people to sign up for the experience.

But however it was treated, football didn’t go far enough beyond the obvious. We needed a second sponsorship touch-point for the brand. Music is a keen area of interest for the target market but it is a crowded arena and a tad predictable for a lager brand.

However comedy is the new rock and roll and fitted perfectly with Carlsberg’s reputation for humour and our target audience’s desire for fun. The challenge was to do it in a uniquely Carlsberg way – going beyond the obvious. Thus we launched into the Carlsberg Comedy Carnival – a four-day festival held in an unexpected venue in the heart of Dublin, the Iveagh Gardens. This was comedy done in a very Carlsberg way, exceeding people’s expectations - top acts, top food, top beer, accessibility and a unique tented format all made for a great experience...even the weather went beyond the obvious Irish summer rain!

RESULTS

Response to the advertising

(Ref Fig 1) The consumer response to the ‘It’s never just A or B there’s probably C’ campaign was instant and very positive. The creative idea has delivered two

executions, which score above market norm on both liking measures, (appeal, enjoyment, understanding) and efficiency of cut-through. The campaign has become talked-about and ‘Aon Focail’ in particular has entered the popular vernacular, inspiring a welter of press coverage and positive word of mouth.

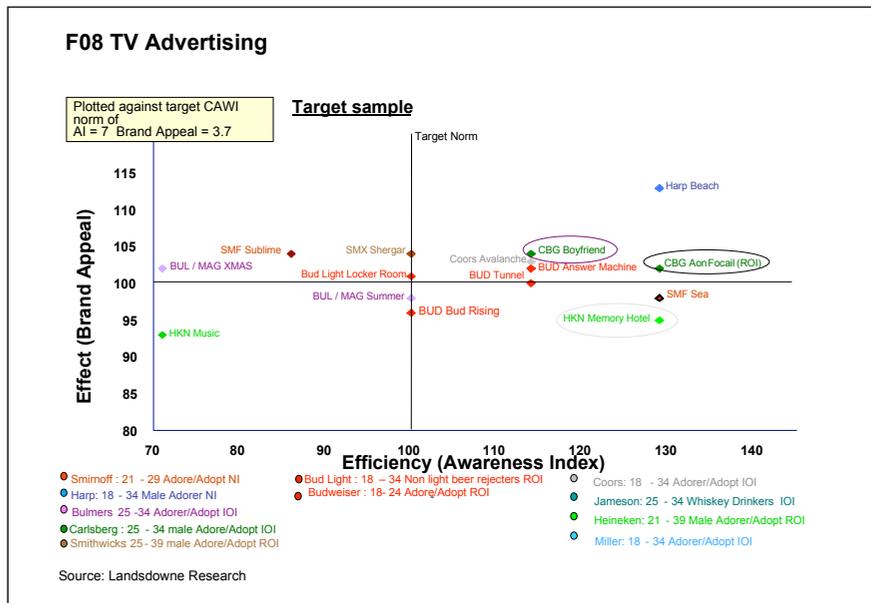
(Ref Fig 2) Crucially, this cut-through has not been achieved at any price. Rather, the campaign has cemented Carlsberg’s credentials as a ‘quick-thinking, intelligent brand’. Suddenly Carlsberg is cool and sussed again. Carlsberg is famous for all the right reasons, and has managed to marry the power of international provenance with local affiliation.

(Ref Fig 3) The campaign is seen as making for ‘interesting, distinctive and involving’ advertising, evoking an ‘active positive’, energetic response, with a large majority of respondents agreeing that ‘It’s the sort of advertising you would talk about with friends’ (Lansdowne 2008).

EFFECT ON BRAND IMAGE

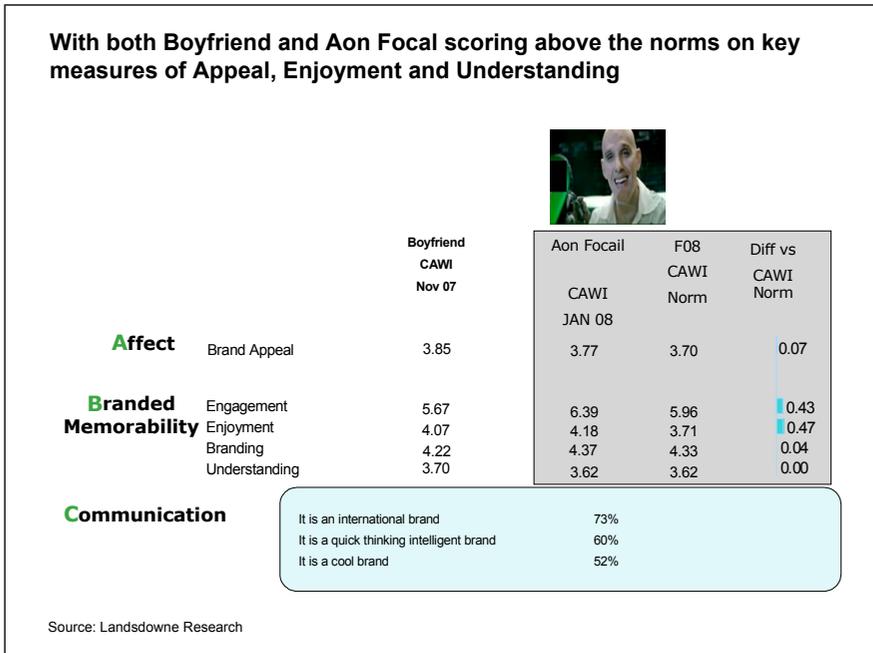
(Ref Fig 4) As a result, there was an increase in spontaneous brand awareness from 58% to 61%, a significant increase for a brand as established as Carlsberg.

Fig 1



The brand registered significant improvements in perceived ‘distinctivity’. Key brand image measures also improved, with ‘good to be seen drinking’ registering a 20% increase during the campaign period.

Fig 2



EFFECT ON SALES

From 2005 Carlsberg share of the lager market in ROI had been in decline and had stalled at around 15%. By the time “Aon Focail” had appeared in early 2008 the share had vaulted to 15.9% and June 2008 post “The Beautiful Game” share has reached a significant 16.4% having peaked at a three year high in May 2008 of 16.5%. The total brand across all channels and in both ROI and NI has grown volumes year on year and has out-performed both the market and the competition. This equates to a 4% growth in net sales value in the 12 months to the end of June 2008.

(Ref attachment Fig 5)

RETURN ON INVESTMENT

Each share point in the Irish lager market is worth €18m (Total market is worth €1.8bn) per year. For a TV advertising campaign to have delivered a

1% increase in share inside a year is unprecedented, especially at the direct expense of the market leader and primary competitor, Heineken. Taking the brand's total A&P spend of €14m, this means a ROI of 28%. Were this share gain sustained over a 3 year period, the campaign would ultimately yield €54m revenue return over this time.

Fig 3

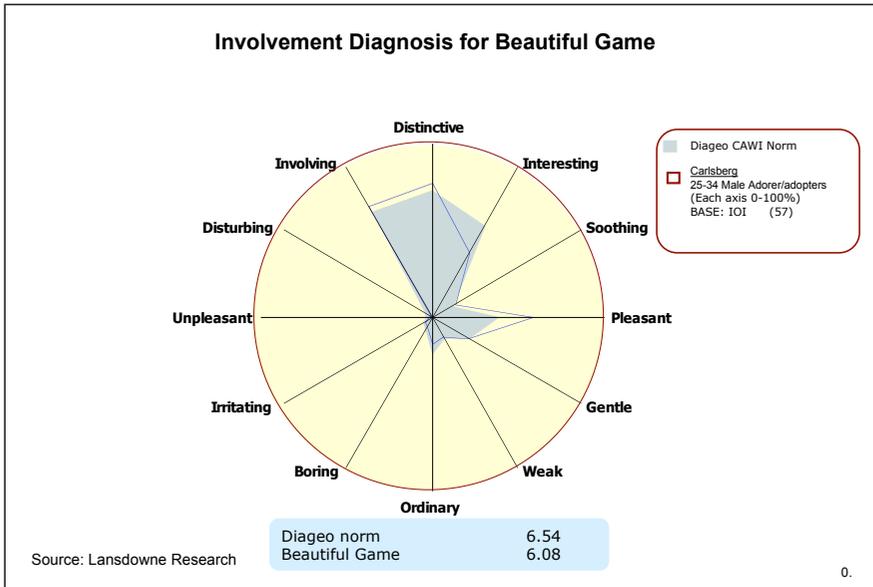


Fig 4

