



**SMIRNOFF**™

**RED, WHITE  
& BERRY**™

**DBA: Design Effectiveness Awards 2018**

**The Taste of Patriotism  
SMIRNOFF RED, WHITE AND BERRY**

**SMIRNOFF, DIAGEO**

**30th November 2018  
For publication**

**DesignBridge**™



# EXECUTIVE SUMMARY

## MAKING THE MOST OF A SUMMERTIME LIMITED EDITION

Summer in the US is a key period for spirits innovation. Brands look to launch new products that will be a hit with consumers at summertime gatherings book-ended by the big holidays of Memorial Day, 4th July and Labour Day. For Smirnoff, limited editions play a key role in keeping the brand relevant and exciting for consumers – the summer season is a high peak when people enjoy the time of year in group gatherings and look for fun, easy options to help them entertain.

## A DESIGN THAT PUTS A NEW TWIST ON AMERICANA

Smirnoff Red White and Berry (RW&B) has for the last three years been a cleverly targeted summertime limited edition that has connected with US drinkers as a unique take on the national colours of America. By referencing the colours in a slightly more subtle and playful way without overtly showing the flag, we were able to evoke a sense of patriotic pride in America that lasted the whole summer season. And across all our formats, a unique ice-effect varnish made RW&B look and feel frosted to further cue the season. RW&B is Smirnoff's fun nod to everything that's great about the summer season.

## SALES TARGETS SMASHED AND A HALO EFFECT FOR THE WHOLE BRAND

Spirits is a crowded market and breaking through is always a challenge. RW&B was launched initially in 2016 as a flavoured Smirnoff spirit with just a small amount of focused advertising, largely social media support. **The limited edition was so successful that it was repeated in 2017 with a ready to drink format under Smirnoff Ice added.** Despite minimal advertising support and no increase in retail listings, year 2 saw a big leap in sales. This success convinced Diageo to **re-release yet again in 2018 – an unprecedented third year for a Diageo limited edition** – and to add a further format in multipack cans.



## RESULTS AT A GLANCE

- RW&B ready to drink bottles exceeded their annual volume target by 192% in 2018.
- Sales grew year on year - with the RW&B flavoured spirit sales up 54% from 2017 to 2018, and the ready to drink version up 243%.
- RW&B flavoured spirit delivered 63% of Smirnoff's total vodka category growth in 2017-18, and 72% of flavoured vodka growth.
- RW&B had a big halo effect on the wider brand, with Smirnoff Ice experiencing sales +1.3% from 2016 to 2017 unadjusted.
- Smirnoff flavoured vodkas up +2.7% vs. the previous year.

ABOVE TARGET  
**192%**  
RDT VARIANT

YEAR ON YEAR UP  
**243%**  
RTD VARIANT

DELIVERED  
**63%**  
CATEGORY GROWTH

**“DESIGN BRIDGE BROUGHT THE PRODUCT PROPOSITION TO LIFE IN A WAY THAT INSTANTLY CONNECTED WITH AMERICAN CONSUMERS WHEN THEY SAW RED, WHITE & BERRY. THE SALES IMPACT HAS BEEN MORE THAN WE COULD HAVE HOPED FOR GIVEN WE GAVE THE LIMITED-EDITION MINIMAL ADVERTISING SUPPORT — WHICH IS WHY WE’VE BROUGHT IT BACK TWO YEARS IN A ROW, AND LAUNCHED THE DESIGN IN ADDITIONAL FORMATS.”**

Jesse Damashek, Vice President Innovation, Diageo North America





## CASE STUDY OVERVIEW

### PROJECT BRIEF

- Effectively communicate the RW&B proposition visually – a cherry, lime and raspberry flavoured spirit – in a way that is engaging, immediate and fun, and helps people celebrate the season in a fun, easy to share way.
- No upfront strategic thinking required by the agency – work started with our design idea.

### DESCRIPTION

#### The simple design of an American classic

While most brands simply wrap their packs in American flags, this tactic is most relevant to the 4th of July... a day instead of the entire season. Instead, we turned the red, white and blue into bold stripes of coloured ice that inspires patriotic feelings in a more eye-catching, evocative way. Few consumers would fail to make the connection to the national flag, but our treatment gave it a new twist and made it the must-have bottle for any social occasion all summer long.

### SCOPE OF WORK

- **2016**  
RW&B flavoured spirit (750ml glass bottle) and shipper.
- **2017**  
RW&B ready to drink under Smirnoff Ice sub-brand (330ml glass bottle, 6-bottle cardboard multipack).
- **2018**  
RW&B ready to drink Smirnoff Ice cans (1 pint) and 8-can cardboard multipack.





## BUSINESS CHALLENGE

### AN INSTA-WORTHY DESIGN TO LAST THE WHOLE SUMMER

Summer is a vital sales period that kicks off with Memorial Day Weekend (last Monday in May), reaches full fervour on the 4th of July, and concludes with Labour Day weekend (first Monday of September). This three-month season can make or break the health of the business. As a result, the competition is fierce, with everyone from Budweiser to Svedka Vodka vying to be the drink of choice at BBQs, pool parties and house parties.

RW&B needed to reinvigorate interest in the Smirnoff brand over the whole summer period – and not just by focusing on one holiday like many brands do with the 4th of July. Our design needed to feel relevant and appropriate from May through to September – in addition to communicating the three flavours and delivering an Insta-worthy design that our consumers would want to share, creating a buzz on social media.





## CASE STUDY OVERVIEW

The bold, playful simplicity of the designs achieved great standout on shelf and great emotional connection with adult drinkers who were able to demonstrate their own pride in America through their purchase.

### MOUTH-WATERING FLAVOUR COLOURS

The red, white and blue was the perfect colour scheme for our cherry, citrus and blue raspberry flavours, and could be applied to both the flavoured RW&B spirit bottle and the ready to drink formats. This was the first time a Smirnoff Limited-Edition spanned both categories, and by doing so, we created a unified brand voice while appealing to two different consumer bases.

### LETTERING THAT OOZES FLAVOUR

The detail and crafting of the red, white and blue layered typography created a secondary element that could be executed across a number of touchpoints to aid flavour understanding and drive the inclusive personality of the brand, creating a progressive classic. The Smirnoff 'Eyebrow' stands proudly at the top of the designs, signalling quality. We then amplified the simplicity of the pack design idea to in-store merchandising, including shippers which could be stacked to create freestanding display units.

### A FROSTED FINISH TO CUE REFRESHMENT

By blurring the colours delicately into each other, we were able to cue coloured ice blocks which corresponded with our three flavours and perfectly illustrated the ice cold refreshment of the liquid. In addition to the graphics, Design Bridge partnered closely with the Diageo production team to deliver a frost-effect tactile varnish on the majority of the shrink sleeve that mimicked the tiny hairline cracks in a block of ice. At shelf the bottle stood out, but in the hand the design idea really came to life.



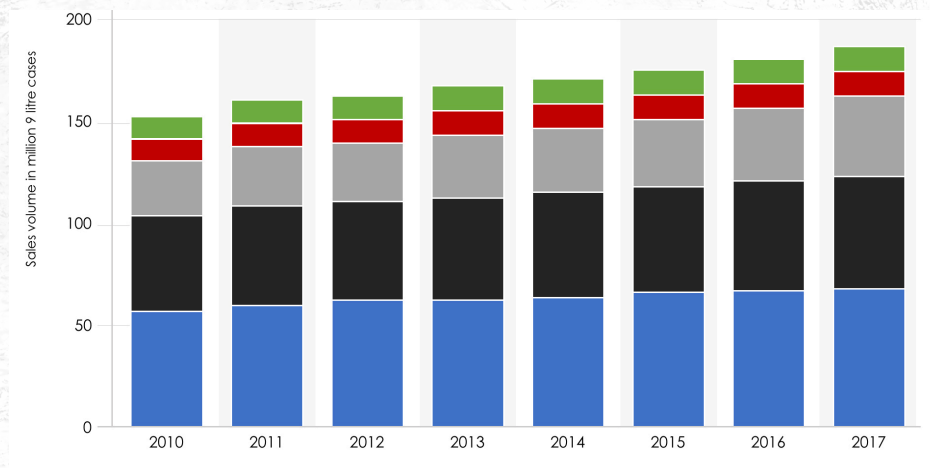


# MARKET OVERVIEW

## VODKA IS DOMINANT, BUT BARELY GROWING

Vodka remains the biggest spirit by a distance in the US but has been in decline in recent years as consumer habits have changed and different spirits like tequila and bourbon have experienced a resurgence:

Sales volume of the United States spirits industry from 2010 to 2017, by category (in million 9 litre cases)



Statista Feb 2018: <https://www.statista.com/statistics/233527/sales-volume-of-the-us-spirits-industry-by-category/>

In 2017, vodka volume sales grew by +2.6%<sup>1</sup> but this lagged behind other spirits such as Irish whiskey (+11.3% volume), tequila/mescal (+8.5% volume) and American whiskey (+6.4%)<sup>2</sup>. While vodka has generally been associated with high-tempo, late night occasions, consumers are increasingly preferring to drink in low tempo daytime casual occasions where vodka loses out to beer and other spirits.

## NEW CHALLENGER BRANDS SNAPPING AT SMIRNOFF'S HEELS

On top of overall vodka decline, Smirnoff's leadership position as the category leader has been under threat. The market is a crowded one with lots of competition, and breaking through is becoming increasingly challenging.

These category trends made it crucial that Smirnoff meet the demands of new consumer behaviour, as well appeal to a sense of Americana at a time when 'American-made' is a particularly key purchase driver.

<sup>1</sup> WSR Global Insights Vodka Insights 2018 Edition

<sup>2</sup> Distilled Spirits Council report on US spirit sales in 2017, as reported by [www.thespiritsbusiness.com/2018/02/the-best-selling-spirits-in-the-us-market/](http://www.thespiritsbusiness.com/2018/02/the-best-selling-spirits-in-the-us-market/)



# KEY FACTS

LAUNCH DATE

DESIGN FEES — \$35,030.00

YEAR 1



YEAR 2



YEAR 3



**Launch May 2016**

(on-shelf May through September)  
as a spirit



**Launch May 2017**

(on-shelf May through September)  
as spirit and ready to drink bottles



**Launch May 2018**

(on-shelf May through September)  
as spirit, ready to drink bottles and cans



# RESULTS

## STRONG YEAR 1 SALES (2016)... AND A HIT ON SOCIAL MEDIA

The immediate appeal and clear flavour communication of the design meant Smirnoff RW&B spirit hit the ground. Instagram and Pinterest quickly filled with images of patriotic serves, and vloggers uploaded videos showing how to make iconic red, white and blue layered cocktails.

## AN ON-GOING SUCCESS (2017)

It was a mark of RW&B's sales success that the decision was taken to repeat the limited edition, and to launch a ready-to-drink version as well under Smirnoff Ice.

Results improved markedly in year 2 – **RW&B spirit sales increased by 52.8% from the same summer period in 2016, driving 63% of total Smirnoff Flavour growth that year.**

**RW&B spirit delivered 72% of Smirnoff's total flavoured spirit flavoured vodka category growth,** with a measurable halo effect on core business, growing the Smirnoff Flavours business +2.7% % vs. the previous year for the summer period.

To cement the success, **RW&B spirit took the #6 spot in Nielsen's Sustaining Innovation Report** (as of May 16th, 2017), a big improvement from finishing outside of the top 40 the previous year.

The story was even more impressive for RW&B ready to drink, which saw phenomenal

## YEAR-ON-YEAR GROWTH OF 243%

from summer 2016 to the following year, and over-achieving its annual volume target by 196%.



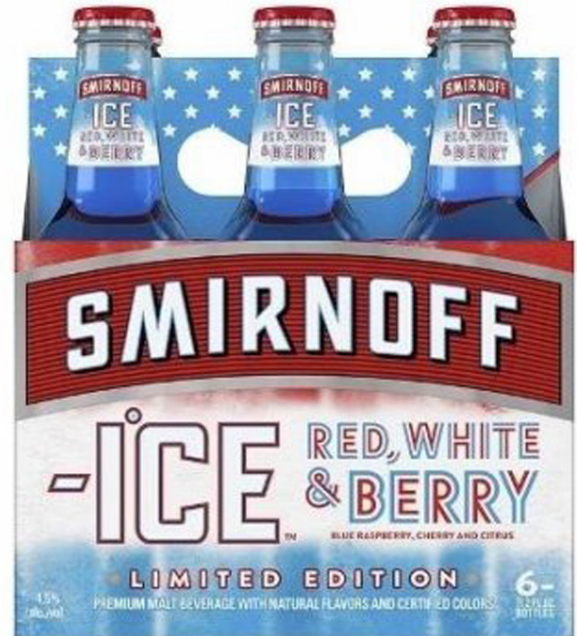


## A HUGE HALO EFFECT ON THE SMIRNOFF ICE RANGE

The impact of RW&B on the Smirnoff Ice sub-brand has been profound – **helping it grow by 9.4% unadjusted and 18.8% with RW&B** (Neilson 5/20). RW&B as a ready to drink has added 150 basis points (1.5%) of incremental volume growth for total Smirnoff Ice to date, and helped secure over **26,500 additional points of distribution**.

## YEAR 3 OFF TO A GREAT START

Unsurprisingly, this continued success led Diageo to release the variant yet again in 2018 with the same enduring design. Full sales figures for this period are not yet available but look to be even more impressive than 2017. **By June 16th Smirnoff had sold 66% of the total volume for the summer, which is 65% higher than during last year.** And all that 3 weeks before the biggest consumer occasion of all, the 4th of July festivities.



## DESIGN-LED SUCCESS

Since launch, Smirnoff RW&B has not received any additional above the line advertising support, and has had to build up its consumer base by itself.

RW&B gained a very similar number of US retail listings to comparable Smirnoff flavoured spirits and Smirnoff Ice ready-to-drink products. Retailers gave it additional sales space and made a feature of it in displays.

**The strong growth increase from year 1 to year 2 was not caused by additional distribution points, price cuts or promotions. Due to RW&B selling out so quickly, no promotional support or price reductions were necessary.**

