

NAKED GROUSE REBRAND

Client : Edrington

Design : Kinship Creative

DBA Awards 2018 Entry



Naked
Grouse

EXECUTIVE SUMMARY

In early 2017, Naked Grouse owned by Edrington, was a forgotten more premium expression within The Famous Grouse portfolio.

There had been success in some global markets but overall the expression had a dated identity and was not relevant to the consumer. The start point was our innovation and consumer insight project, and in conclusion to this, Edrington took the bold decision to relaunch Naked Grouse as a standalone brand.

Our challenge was to create a distinctive global brand for a younger discerning knowledge seeking consumer, that was not tied to traditional whisky rules.

The answer lay in understanding the consumer insight found as part of the innovation project. We then repositioned the brand based on the brand truth of **liberation** and executed this through the idea of **living naked**. The result was the creation of a distinctive brand world that talks directly to the attitude of the targeted global consumer.

Naked Grouse proves that leaping into the unknown can be worth the risk after breaking free from the parent brand by receiving +17% growth in value and +21% volume (6K CEQ) in the first year. The decision is proving fruitful for the brand which has already begun to enjoy global recognition as one of the fastest growing whisky brands for its design, distinctiveness and value.



+17%

GROWTH IN VALUE
IN THE FIRST YEAR

Kantar Milward Brown,
Taiwan, August 2018



+21%

VOLUME GROWTH
IN THE FIRST YEAR

Edrington Global Volume
Reporting, October 2018



"Naked Grouse - one of the fastest growing whisky brands"

SOURCE: IWSR 2017

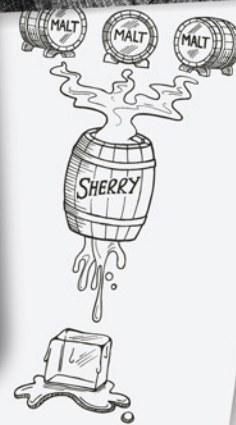


PROJECT OVERVIEW

Outline of Project Brief

THE CHALLENGING PROJECT OBJECTIVES:

1. **Establish Naked Grouse as a distinctive brand** - that stands out from the crowd by having a distinctive personality which appeals to the target consumer across existing and new global markets.
2. **Grow global brand volume year on year** - by achieving volume growth in established key markets such as Taiwan and the Nordics, driving incremental growth in targeted markets such as the UK and launching in new identified markets such as the the US. The target was to grow global volume by 21% from 29k CEQ 2016/17 to 35K CEQ 2017/18.
3. **Distribute the brand in the right type of outlets** - by identifying the correct premium off-trade retailer accounts where the brand has a higher chance of coming into contact with the target consumer.



THE BUSINESS CHALLENGE:

Edrington's business objective is to be recognised as Scotland's leading independent premium spirits company and therefore Edrington wanted to increase its offer of contemporary premium spirits.

In order to achieve the business objective, the premium spirits market was reviewed as a whole, in and out of the whisky category as well as extensive learning on the consumer target of contemporary premium spirits. This identified that spirit brands who are succeeding in global markets are new, straightforward in attitude, simple to understand

and with a distinctive personality. It was also important to recognise that within the whisky category growth is slowing within blended Scotch, however the growth is on fire with single malts and the blended malt category.

Edrington decided to revive a hidden expression within its portfolio rather than create a new brand as planned; this paved the way for Naked Grouse.

PROJECT OVERVIEW

Overview of Market

The blended malt category is still in its infancy globally with only two major competitors, these are Monkey Shoulder (globally established) and the newer competitor Copper Dog (UK market). The blended malt category sits between the blended whisky and the single malt categories. It is a newly established category that shows good indicators for growth, currently growing at a rate of +9% volume, +17% value year on year (IWSR 2018) and produces good quality whiskies that can be drunk neat but are also versatile in mixing cocktails. The barrier to this category is the consumer understanding of the difference between a blended whisky and a blended malt. This is something the category has to work on by educating consumers.

THE MARKET CHALLENGES:

The biggest challenge was the ambitious growth plans within different markets and these had their own individual challenges:

The Nordics - Contain Monopoly controlled markets for alcohol sales in countries such as Norway and Sweden. This means a market structure characterised by a single seller, in this case this is the government. In a monopoly market such as Sweden, there is no competition between retailers as all alcohol stores are owned and run by the government, with alcohol displayed in alphabetical order and therefore no brand activation or additional distribution allowed to increase brand awareness. In markets when communication is allowed this can only be product focused.

Taiwan - Even though this is a large whisky market, it is saturated and is experiencing decline in both the volume and value of Scotch whisky.

"Scotch whisky category in sustained decline in volume and value - indicates market saturation. Blended whiskies are suffering particularly both in price and volumes."

Kantar Millward Brown, Taiwan, August 2018
SOURCE: IWSR 2017

Other markets - Significant growth is required in other global markets such as the UK and US but these have their own challenges with distribution, consumers negative perception of The Famous Grouse and established competitors in and out of category.

In order to achieve the targets, Naked Grouse needs to work hard on all aspects of its proposition, be distinctive and engage its target market as powerfully as it can.

STRATEGIC THINKING - UNDERSTANDING THE CONSUMER:

For Naked Grouse to succeed globally in existing and new markets, it was fundamental to understand the consumer of contemporary spirits. Extensive learning was completed to understand the attitudes, needs and occasions of these consumers across different markets, to find a common insight. This piece of work identified a 30 – 40 target consumer who we call our discerning knowledge seekers and the insight of "I am at my most happy when I can be myself" was the start point for the positioning of the brand.



PROJECT OVERVIEW

Description

THE BACKGROUND:

The initial project started as a piece of innovation to create either a new brand or new product development for an existing brand. This resulted in the recognition that if a new brand had a positioning that was aligned to this new-found consumer insight it would have massive potential. Our approach to this project delivered the clear insights and knowledge that Edrington needed to evaluate their existing portfolio.

Naked Grouse was initially launched in market as a blended Scotch whisky in 2011 and was positioned as a premium expression within The Famous Grouse portfolio, it did have some initial success within the Nordics and Taiwanese markets, however, it was always a lost soul within the portfolio. The Edrington ambition was to take this underachieving expression within The Famous Grouse portfolio and turn it into a rising star by making a liquid change and relaunching it as a blended malt in 2017. Offering a new approach to whisky, helping to define the blended malt category and build on the increasing popularity of single malts. The new Naked Grouse expression is comprised of a selection of Scotland's finest single malts including The Macallan, Highland Park and Glenrothes as well as having an extra maturation in first fill sherry casks to differentiate it within the blended malt category as a versatile high-quality liquid.

SCOPE OF WORK AT OUTSET:

The scope at the outset included the brand positioning, brand personality, brand assets and brand mark executed across the primary and secondary packaging.

SCOPE OF WORK DELIVERED:

The challenge was to create a distinctive global brand for a younger discerning knowledge seeking consumer, breaking whisky convention in terms of design and moving away from associations with The Famous Grouse.

The scope included the brand positioning, brand personality, brand assets and brand mark executed across the primary and secondary packaging. The wider scope was to create a distinctive visual world of assets to be used across various touchpoints within each of the global markets to drive consumer awareness at point of purchase within the off-trade. The only constraints to the brief was to retain the bottle structure with debossed grouse, the brand name and the size of the neck label.



Old Design



NEW Design

PROJECT OVERVIEW

OUTLINE OF THE DESIGN SOLUTION:

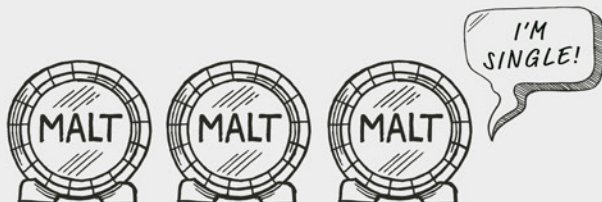
When you hear the words 'live naked' this instantly evokes a sense of liberation and freedom. This was the creative idea, born out of consumer insight attained from research in the key global markets, 'I am at my most happiest when I can be myself, getting back to the real me'. Live naked was well received by consumers in research into the initial territory as it had a direct link and pay back to the brand name and this gave the green light to start with design.

"IS THE POSITIONING RIGHT? ABSOLUTELY!"

In fact, it is rare to see
a positioning connect so
universally across diverse
global markets"

Syren, Research Agency, 2017

The brand personality was defined as a set of 4 values; **Natural, Open, Spirited and Liberated**. These were then used as criteria for every touch point including the brand mark, primary & secondary packaging and bank of visual brand world assets. The real inspiration however for the design execution stemmed from 'getting back to the real me' and this can be seen in our execution of the creative, which strips back to the traditional processes, whether this is printing, the typewriter or black and white photography. This was the same for our approach to how Naked Grouse should use illustration and photography to communicate the product story in a non-convectional way; resulting in ingredients only being shown in their raw natural state before any manufacturing has taken place.



The visual brand world was designed using a variety of different assets that would be distinctive for on and off-trade, across a variety of markets; this included:



Brand Mark

As a playful black band to represent censorship and to increase the dominance of the word 'Naked'

or stand out in the off-trade and build the brand 'Naked' as bar call in the on-trade. Dropping the word 'the' and a recessive word 'Grouse' to differentiate further from The Famous Grouse.

Spirited Illustration

An illustration style that lends itself to communicating the product story and tone of voice in an unconventional way, especially in dark markets.



Liberating Photography

That captures the true emotional spirit of the brand at its most uncomplicated.

The Bottle Icon

Identifies the brand with the debossed grouse only appearing within the confines of the bottle, used as either photography or illustration.



PROJECT OVERVIEW

THE CREATIVE RESULT:

A distinctive, contemporary premium whisky, with a strong personality... **living Naked.**



Key Facts

LAUNCH DATES:

The initial launch date into the global markets was at the start of the financial year April 2017, this was delayed due to challenges with distribution and the bottling of the liquid.

Nordics: Sept 2017

Taiwan: October 2017

UK: August 2017

US: August 2017

DESIGN FEES: £140K

THE RESULTS

RESULTS:

Naked Grouse brand relaunch has exceeded in meeting the initial objectives of the brief. It additionally has been recognised as an innovative spirit launch.

"No.14 in the top 50 innovative spirit launches of 2017"

The Spirits Business

THE PROJECT OBJECTIVES:

1. Establish Naked Grouse as a distinctive brand

It was a huge ambition to establish Naked Grouse over such a short amount of time and in some key saturated global markets. But armed with a clear consumer insight and strong personality Naked Grouse is definitely getting noticed and standing out. Taiwan is an established prolific whisky market with lots of Scottish and global whisky brands competing for attention, Naked Grouse is cutting through the noise and being noticed.

Within the Taiwanese market Naked Grouse's largest blended malt competitor Monkey Shoulder is not as established as in other markets such as the UK, therefore as Taiwan is a predominately single malt market, Naked Grouse has to compete with Scottish single malts as well as whisky from other countries such as Japan.

As a project objective it was important to create a brand with a distinctive brand image. This has been tracked by Edrington using Kantar Millwardbrown's brand image tracking.

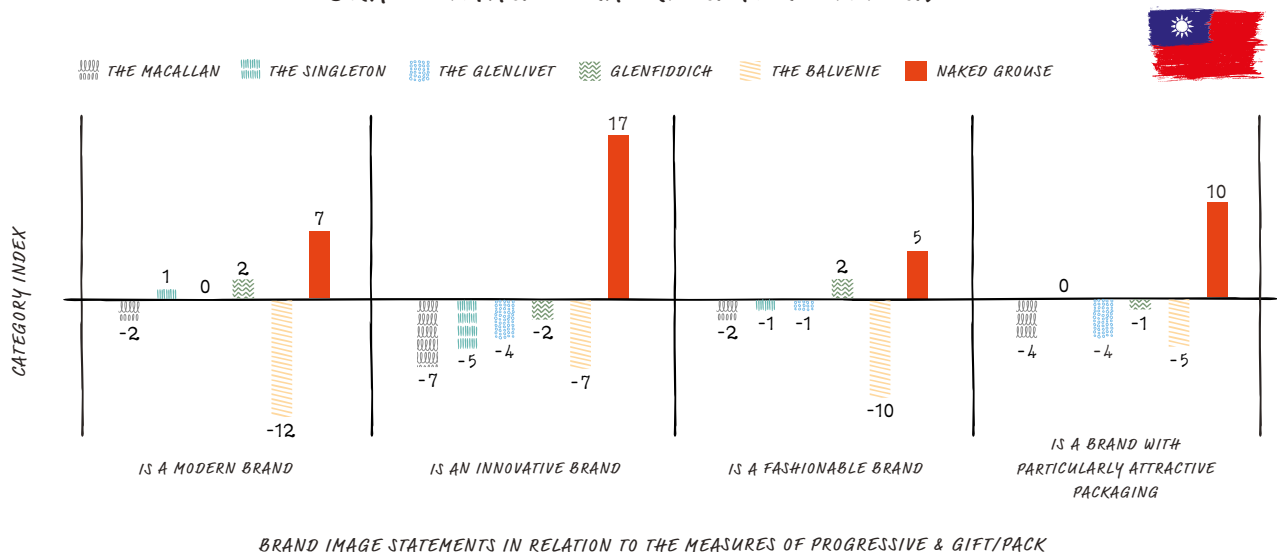
The Naked Grouse brand is tracked within Sweden and Taiwan as these are key markets for the future of Naked Grouse as well as also having the recognition of the expression before the redesign. The brand is tracked against metrics for brand image and then compared against key competitors in each of the markets. There are key themes that are tracked by using brand image statements. Some of the key themes that are tracked are pride & reward, tradition & heritage, quality and progressive.

The results speak for themselves with Naked Grouse being the strongest in the relevant theme of progressiveness and being defined as dynamic, modern and innovative with a distinct brand image across each of the markets.

"Naked Grouse's personality is very dynamic, when compared to other whisky brands"

Kantar Millward Brown, Taiwan, August 2018

BRAND IMAGE TRACKING (PROFILING)



Kantar Millward Brown, Taiwan, August 2018

THE RESULTS

Taiwan has a split of 80% off-trade versus 20% on-trade in terms of sales volumes, therefore the packaging within store has a tough job to do in attracting consumers at point of purchase. The bottle and gift carton have been really driving these sales within the off-trade.

"The brand has a very distinct brand image - centred on innovation and modernity; the packaging is cutting through too"

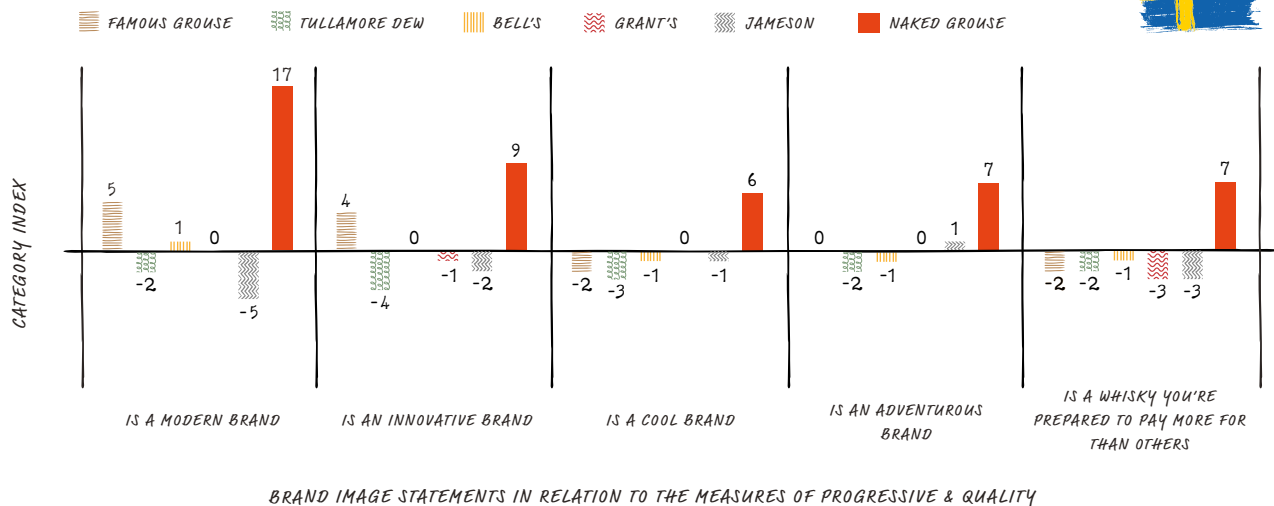
Kantar Millward Brown, Taiwan August 2018

Being distinctive as a brand is also true within the Nordics, especially Sweden. The brand has been so successful in resonating with the consumer, using its innovative approach and forward-thinking brand attitude, that the consumer would be prepared to pay a higher price point.

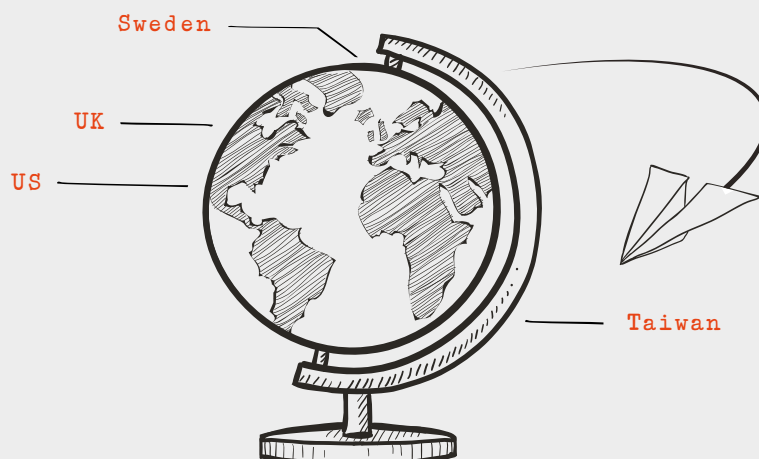
"The Naked Grouse, a true disruptor brand. Already stands out with a very distinct brand image profile. Seen as modern, innovative, cool, and a brand they would be prepared to pay more for"

Kantar Millward Brown, Sweden August 2018

BRAND IMAGE TRACKING (PROFILING)



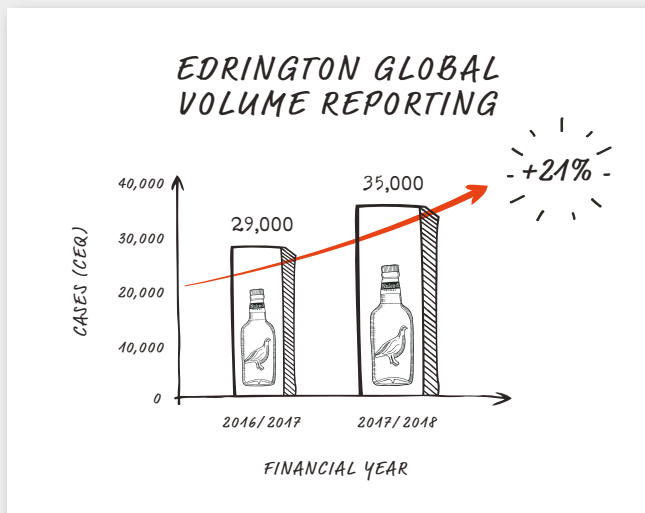
Kantar Millward Brown Sweden, August 2018



THE RESULTS

2. Grow global brand volume year on year

Despite the delays to the brand launch within 2017 due to distribution technicalities. Naked Grouse managed to still deliver +21% growth, equating to 35K CEQ by financial year end 2017/2018. The blended malt category is currently growing at a rate of +9% volume, +17% value year on year (IWSR 2018), whereas Naked is growing at a faster rate than the blended malt category at +21%.



The whisky category has a natural decline in volumes within quarter 2 and this can be seen within the figures. This is due to the 'whisky season' and reduced global whisky consumption occasions within the months of April - June. The uplift then resumes from quarter 3 without any additional activation support.

"Naked Grouse did exceptionally well with 43% growth YOY - one of the fastest growing brands"

Kantar Millward Brown,
Market Context, Taiwan, August 2018

This was a massive achievement, especially as this included strong growth figures in saturated markets such as Taiwan where the whole whisky category is in decline. Naked Grouse has been recognised in Taiwan as one of the fastest growing brands in the category when comparing year on year data.

"Sales volume 2016 verses 2017: +7%, Naked Grouse is in healthy growth"

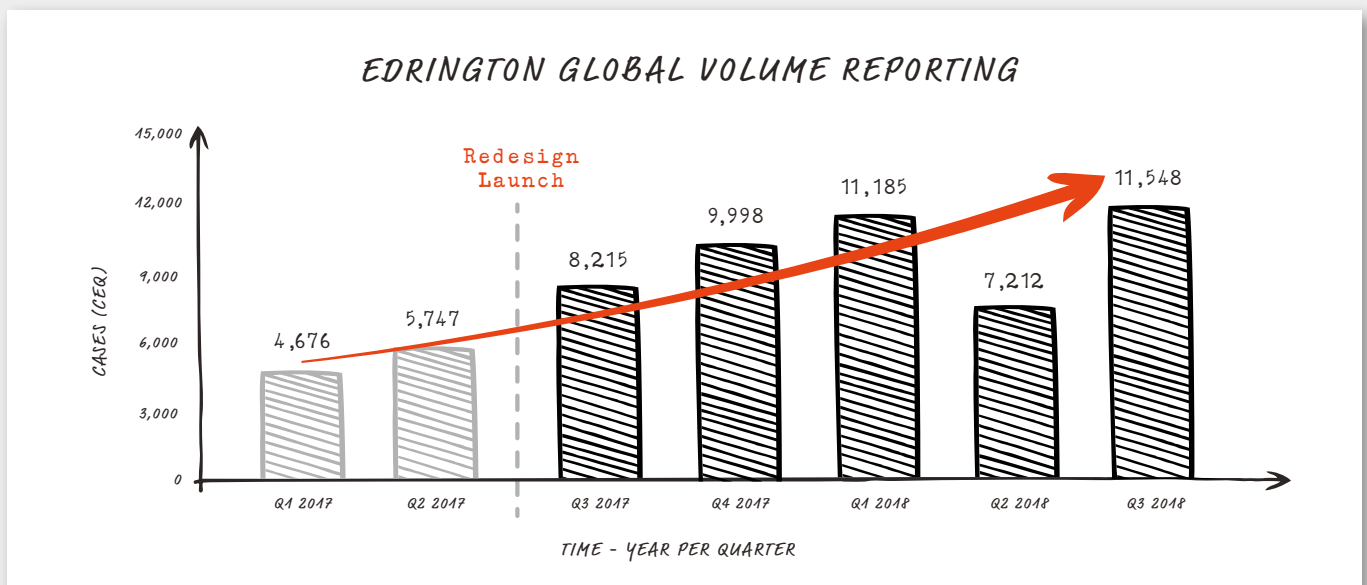
Kantar Millward Brown, Taiwan, August 2018

SOURCE: Edrington Taiwan for Naked Grouse and IWSR (2018) for all other brands

The UK market not only met its target for the first year but has also experienced fantastic volume growth, the year to date figures reported by UK Edrington Beam Suntory of 24% volume growth demonstrate that Naked Grouse is really building market momentum.

"+24% volume growth YTD"

Edrington Beam Suntory UK volume reporting October 2018



THE RESULTS

3. Distribute the brand in the right type of outlets

Based on the knowledge gained from the initial consumer insights research into where the target consumer shopped, the UK brand team were able to identify the correct retailers suitable for the Naked Grouse brand. This strategic approach to distribution within the off-trade allowed the brand to be listed within a select number of Waitrose stores, which has increased to 218 in total, due to the success of sales. Overall distribution has increased by 267% within the UK, with Amazon also being a strong customer, reporting +19% growth YTD October 2018.



RETAIL DISTRIBUTION
HAS INCREASED BY

+267% ^{YTD}

Edrington Beam Suntory,
October 2018



Influencing Factors

ADVERTISING/PR/SOCIAL MEDIA

We created key visuals as part of the global redesign, however these were not used as an advertising campaign anywhere globally. The key visuals were used to communicate the brands positioning, they were used on the brands global Facebook and Instagram channels as well as point of sales materials in-store, as and when required. Within the Taiwan market 1 month prior to launch of the brand redesign (September 2017), a TV commercial campaign was aired using the old design and liquid, this had finished when the redesign launched in October 2017 therefore this did not impact the global volume figures for Naked Grouse.

PRODUCT CHANGE

The product was changed at the same time as the redesign from a blended Scotch to a blended malt whisky, the price point remained the same. This new liquid was a more challenging taste profile for the Taiwanese market and therefore was seen as a risk rather than an opportunity.

PRICE/PROMO

There was price and promotional activity only within the UK market at the Amazon retailer for a total of 4 weeks, November/December 2017. No other market had price or promotional activity.

SAMPLING

Sampling was only completed within the Taiwanese market and only within selected stores therefore this would not have a massive impact on the global volume figures for Naked Grouse.

OTHER AWARD RECOGNITION

Bartenders Brand Awards - Silver for Design 2018

SOURCES

Edrington internal business reporting
Edrington Beam Suntory internal business reporting
Kantar Millward Brown, Taiwan, August 2018
Edrington Taiwan for Naked Grouse and IWSR (2018)
Kantar Millward Brown, Sweden, August 2018
IWSR 2017
The Spirits Business
Syren - Research Agency

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