

NON-CONFIDENTIAL ENTRY: FOR PUBLICATION
DBA DESIGN EFFECTIVENESS AWARDS 2022



SUBMISSION TITLE:
WESTWARD WHISKEY: SINGLE MALT REIMAGINED;
AMERICAN WHISKEY ELEVATED

CLIENT COMPANY:
WESTWARD WHISKEY

SUBMISSION DATE:
NOVEMBER 2021

Pearlfisher.





INTRODUCTION

When Westward Whiskey wanted a new direction, a new look, a new beginning, we had to go right back there; to the beginning. To the story of the original pioneers, to the legend of the American Northwest. We wanted to tell the story of a unique whiskey for a unique brand from a unique place.

Existing in a fairly undefined niche – American single-malt – and lagging behind their self-defined competitive set, Westward needed the new-world whiskey drinker to feel and taste the truth in the glory of their single malt.

We completely revolutionised the branding, the bottle and the packaging. Reconnecting it with the heartlands where it comes from. The rugged mountains that provided the inspiration for the brand in the first place; the Colombian River Gorge that runs through the region; the brewer's blackbird that soars across the skies exploring the Pacific Northwest.

Like the original pioneers, the new world whiskey drinker is an explorer and we designed a new life for the brand from the old.

JUST SOME OF THE RESULTS?

SALES OF CASES
UP 280%

SALES MORE THAN
**52% ABOVE
TARGET**

**ACCOUNTS-
SOLD UP 134%**

NEW INTERNATIONAL
MARKET LISTINGS
ACHIEVED

GREW FROM 7TH OUT
OF 7 TO BECOME
TOP 3
GROWTH BRAND AMONGST
COMPETITIVE SET

WESTWARD CONTINUES
TO GROW:
**BETWEEN
20 AND 30%
EVERY MONTH**



COVID HAD ITS CHALLENGES. OF COURSE IT DID. BUT COVID DOESN'T STOP EVERYTHING
- LIFE, WHISKEY, CAN STILL BE REIMAGINED. AND IT DIDN'T STOP WESTWARD. THE
MOUNTAINS WERE STILL STANDING; THE COLUMBIAN RIVER STILL FLOWED, AND THE
BLACKBIRDS STILL SOARED. JUST LIKE THE NEW WORLD AMERICAN WHISKEY DRINKER.

DRINKING BETTER.
DRINKING WESTWARD.

CONTEXT AND OVERVIEW

BACKGROUND

Founded by Master Distiller, Christian Krogstad, nearly two decades ago, Westward Whiskey has brought something different and relevant to whiskey in North America – a leading voice for the single malt, a reimagined American whiskey.

Matured to perfection in Oregon, where hot, dry summers and cool wet winters are the ideal environment to raise a world class whiskey, Westward creates flavour in every step of its long, slow whiskey-making process: there are no short cuts in their pursuit of perfection. The result is a bold, robust and elevated American whiskey. Its

distinct, rich and flavourful profile stands out above the rest.

The brand had only been sold beyond its Oregon distillery homeland over the past four years, so it's new and relatively small compared to some of the key players in the market. But from small acorns, mighty oaks grow and Westward had big ambitions. The challenge was to make the American whiskey drinker travel the same path as the single malt. Come on the same journey. Take the long way round back to the beginning: the whiskey's birthplace in the American Northwest. The Pacific Northwest.



TARGET AUDIENCE

The original pioneers of the United States were explorers looking for the new world. Travelling cross country, searching for different, searching for better. High end American whiskey drinkers are cut from a similar cloth. They are looking for something that stands out to them. That sets them apart. A single malt that they can discover and share with their exclusive community. This isn't a bourbon drinker. It isn't a scotch drinker. It's a whiskey drinker for the modern world. One that wants to drink less but drink better. To enjoy a single malt with likeminded people in an exclusive downtown restaurant or at home, on their own with their Westward in their hand. A drinker as bold and confident as the \$80 start-up price on the bottle.

They want to know what they are drinking; to feel a part of the journey. They enjoy a comfortable life working hard and smart for their six figure sums, but as they move into middle age range, they are still looking for something new, something fresh in the land where they belong. Something Westward.



OUTLINE OF PROJECT BRIEF AND OBJECTIVES

The luxury American whiskey category is competitive. There are a number of distillers bidding for the same space. Westward wanted to occupy their own territory with a look that made them stand apart. We were asked to create a new, standout visual identity and bespoke bottle structure and label design that align with Westward's one-of-a-kind personality: the pioneering and superior definitive American single malt, a whiskey of the elements, born from the unique culture, climate, and abundant resources and spirit of the American Northwest.

The brand wasn't receiving the exposure it wanted either, in the luxury American whiskey set.

We set out to:

- Launch three variants: Core, Stout Cask and Pinot Noir Cask
- Grow sales by 184%. A bullish projection given the brand was coming from a -23% decline and the \$80 price point
- Increase international distribution into the UK and France
- Become a top 3 growth brand amongst the competitive set. Another ambitious target given Westward was 7th out of 7 prior to the rebrand.





MARKET OVERVIEW

The state of the whiskey market was generally strong. The whisk(e)y segment is the second largest category in the U.S. by volume (after vodka) and had a five-year CAGR ending in 2020 of 5.05% and a year-on-year growth from 2019 to 2020 of 4.86%. If you looked at Super Premium US whiskey specifically, the five-year CAGR was 24.4% and year on year growth was 24.29%. (Source: Nielson)

Westward defined their own subset of 6 competitors, alongside the traditional reporting hubs such as IWSR and Nielsen who distinguish the whiskey segment in various ways such as standard, premium, deluxe associated with different price points. These main competitors – Westland American Single Malt, WhistlePig, Balcones, Angels Envy, Stranahans and Widow Jane – in the super premium American Whiskey category, have been defined as craft whiskey brands that appeal to consumers who are looking for a story and elevated offering in the brands they buy. This niche American Single Malt category wasn't very well-established, with whiskey drinkers mainly looking to Scotch or Bourbon, and this category having a foot in each.

Amongst the set, Westward's price point at \$80 sat middle range with its competitors but it was 7th out of 7 in terms of brand growth.

So, although the market was growing when the new Westward design launched, it was one of a few laggards in the category, and with the onset of the Covid 19 pandemic brands that did not have strong distribution in the off-trade channel struggled immensely due to lockdowns.

And that included Westward. It absolutely did. Overall, off-trade grew through Covid but on trade completely shut down. However, it was the big brands that mainly benefitted because they had distribution and awareness. Small brands like Westward? They really suffered. Or they should have. And Westward did to begin with, with sales declining at -23%. The new pack launch changed everything.

CHALLENGES

Launching a redesigned brand into a pandemic-gripped world. No bartender to tell the story. No GTR opportunities to sample the whiskey. No-one to spread the word in the traditional sense.

And the price. \$80 a go is a bold call and the brand had to earn its place; to justify the price.

KEY FACTS

- Design launch: November 2020
- Design fees: REDACTED CONFIDENTIAL DATA



BEFORE

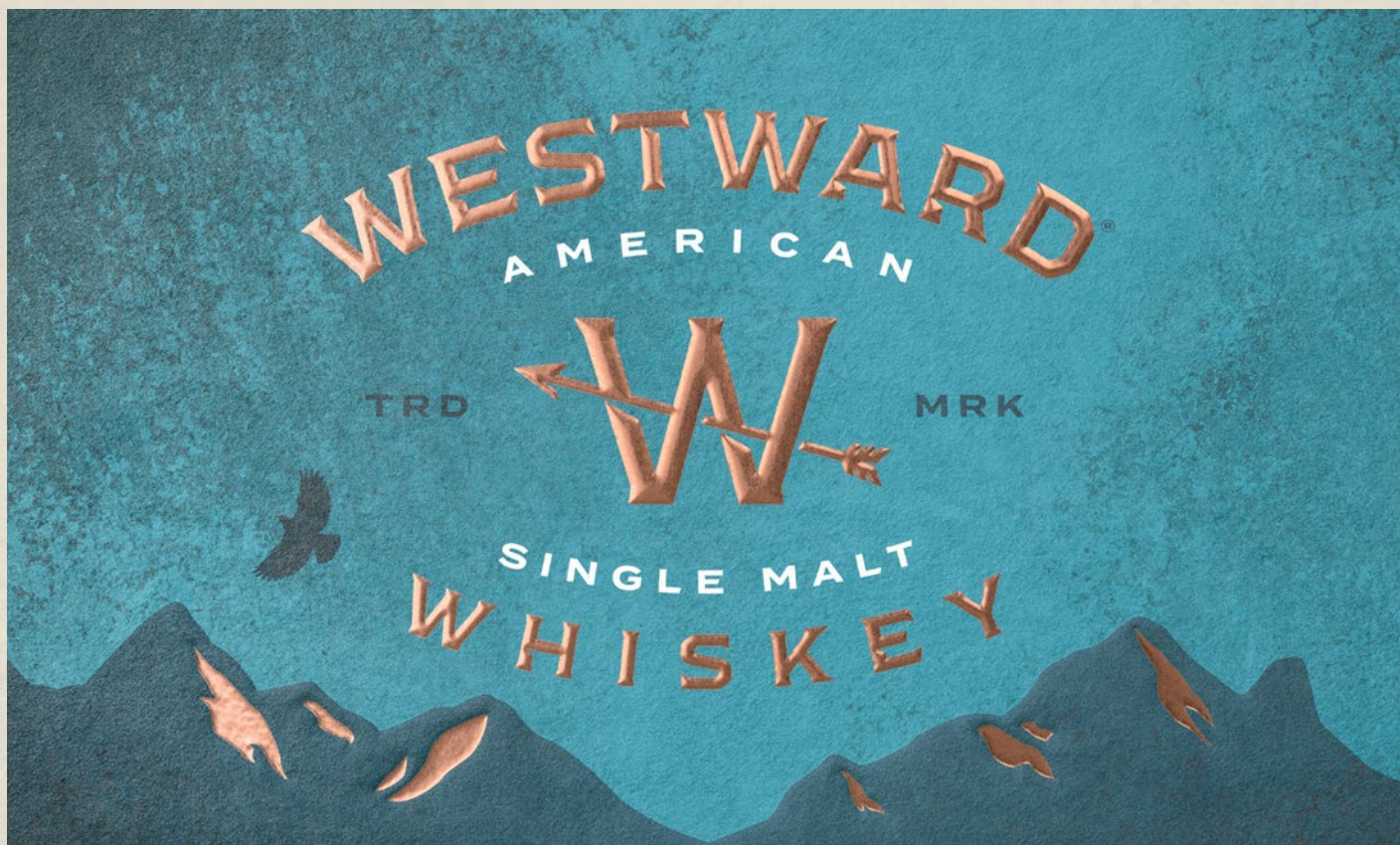


AFTER

DESIGN SOLUTION

Westward Whiskey comes from a sacred land. The land of the original pioneers, where the settlers found home. Where they belonged. It's a story the world knows well. Inspired by the mythology and legend of the American Northwest, we took the brand in a new direction; building an authentic narrative for Westward while revolutionising everything from the bottle structure, logo and colour palette. We brought to life the brand's search for better, for individuality – doing things the 'Westward Way'.

The previous design took its cues from a traditional scotch single malt and used a stock bottle. It looked like any other whiskey, from any other place, for any other drinker. Lost among the look-a-likes it had no shelf stand-out and it didn't reflect the high price point.



To better connect discerning consumers to the Westward brand, we developed a new proposition, 'single malt reimagined, American whiskey elevated'.

The new bottle structure wears its American Northwest story; distinct and unique, and echoing the label story of the surrounding landscape with the asymmetric shoulders 'pointing' up to the Northwest of the bottle. The bottle's new look rejected everything about the old that signalled Scotch and created a new code for a new niche; in a new world for a new drinker.

Each Westward variant – Core, Stout Cask, Pinot Noir Cask and, most recently, Cask Strength – has its own colour palette, with each shade carefully selected to link back to the whiskey's home in Oregon. The bright blue of the core variety is drawn from the Rogue River which winds through the 215 miles of Oregon's Cascade Range. For the Stout Cask a sage green represents the landscape's vegetation. A delicate burgundy perfectly echoes the grape colour in the Pinot Noir Cask, and a smoky grey drawn from the state's never-ending skyline is just right for the Cask Strength.

Westward is made by hand by a group of brilliant distillers who all follow their 'True Northwest' – a motto which is displayed front and centre and embedded into the new brand and design language. From the chiselled Oregon mountain range that defines the angular bottle – a reproduction of a photo Christian Krogstad took for inspiration – all the way down to the embossing on the bottle, each design element is a tribute to the whiskey's birthplace in the American Northwest.

The arrow of the visual identity now angles Northwest, rather than directly West, referencing that below-ground iron in and around Portland, throws compasses off by a number of degrees. The copper detail in the logo references the pot stills used in the distilling process whilst the Brewer's Blackbird – a breed that migrates across the region – gives another nod to the Westward brewing landscape.





THE OBJECTIVES WE SET OUT TO ACHIEVE WERE AMBITIOUS. THEY WERE BULLISH. BUT THE BRAND IS BOLD AND THE AMERICAN WHISKEY DRINKER IS TOO. THE TWO CAME TOGETHER AND FOUND A HOME.

RESULTS

184% GROWTH TARGET SMASHED TO ACHIEVE AN INCREASE OF 280%

The initial growth target for sales of 9l cases was considered ambitious, especially with an \$80 price point and coming from a decline in sales of -23% at launch in November 2020. However, Westward didn't just meet their target but smashed through it and surpassed it. In the year since launch, sales have grown 280%. That's 52% above the already ambitious aim.

As Richard Black, CMO of Westward, says: "The rebrand has definitely changed the trajectory of the brand, from a decline of -23% in 2020, to growing 280% in 2021. The repack has been the critical piece of this turnaround. It's astonishing."

WESTWARD IS RISING IN THE MARKET

By August 2021, Westward met its ambitious target to become a top 3 growth brand amongst its self-defined competitive set. A huge achievement considering it came from 7th out of 7. Now Westward is targeting the number one growth brand versus the competitive set for 2022.

GROWING AT UP TO 30% A MONTH. EVERY MONTH.

When the redesign launched, Westward's decline was immediately halted. November 2020 saw record growth. The biggest sales month on record for the brand. Ever. But not for long. December beat November. There was a small lull in January. But January's January, right? Looks like it. Because February came along and became the best month on record. Until March beat it. And then April beat March and May beat April. And on and on it goes, growing up to 30% every month in the year since launch.

RAISING A GLASS TO NEW MARKETS

Before the launch of the redesign, Westward gave drinkers a taste of the Pacific Northwest in America, Canada, Singapore, Australia. With the launch of the new design, Westward was

able to grow into its target markets of the UK and France. Not only that but it was also able to launch in Germany and the Nordics too.

ACCOUNTS-SOLD MORE THAN DOUBLED

Westward's accounts-sold is up a massive 134% from before the redesign in 2020. That's more than doubled. The velocity is up too, and store by store growth is more than 50%.

BEST EVER SINGLE-CASK SALE

It seems some buyers can't get enough. As the new branding attracted more high-net worth individuals, Westward made more on one sale of single casks in 2021 than the entirety of the previous year's revenue. In previous years, Westward sold a maximum of 20-30 single barrels in a year. This year they've sold more than 50. And there's two months left.

CONSUMERS LOVE THE NEW DESIGN

"The response we had to the new design has been incredible. It's allowed us to tell our story, to give the discerning whiskey drinker a sense of who and what Westward is, and that's built connection. Consumers told us unanimously that they preferred the new design to the old one – and I've never known that in 20 years of working in the spirits industry." Richard Black, Westward Whiskey CMO

Westward has four properties (the distillery, NW23rd Store, PDX lounge and PDX kiosk) where they get to interact with consumers on a daily basis and the feedback that customers love the bottle is received upwards of 10 times per day. The shelf presence and stand out has transformed not only the brand performance but also the brand's standing amongst its peers.

OTHER INFLUENCING FACTORS

Some might argue that Westward's success could have been a result of general market growth trends before and during Covid, but this simply wasn't the case. For the whiskey icons, with the mass distribution networks and international profiles, maybe. But not Westward. As the results show, despite being a fairly new player in the national and international markets, and without the marketing budgets and networks of the category leaders, Westward's monthly growth is outpacing the market and it's growing faster than a number of its competitors. Not to mention the fact that sales have continued to grow at pace even when the world started to come out of lockdown in July 2021.

Westward supported the launch with a new e-commerce platform and a regionally limited campaign based on the unique selling proposition we developed for the brand - 'single malt reimagined, American whiskey elevated'.

The bottle design has been the core design aesthetic that has driven the brand identity in all facets of the activation. They launched new in-store visibility tools leveraging the bottle design, a new merchandise range drawing inspiration from the design elements on the bottle.

Billboards ran only in Oregon and in three clearly-defined stages: December 2020; Father's Day in June 2021 and planned for November 2021.

Digital campaigns (social media and search) - anchored by the brand story our design helped them tell and featuring the new bottle design - have supported the launch on an ongoing basis.

However, the biggest spend on digital campaigns was focused on Oregon and California, with a small amount to cover the remaining US, and no focused campaign internationally.

The marketing campaigns, targeted and informed, are important. Of course they are. They are part of any re-brand campaign. And they helped. But they were limited in duration and geography. There is no arguing that the consistent month on month growth, across all markets, that has taken a declining brand into record-breaking territory, came from the new look first seen in November 2020. Westward exploded then and it hasn't stopped. Word got around. Message on a bottle.

The visual impact of the bottle design is also evident in the way that it anchors Westward's Instagram account, providing compelling imagery that drives the American Northwest story and Westward's place within it. The marketing teams allow the design to breathe in the digital framework, creating the brand personality that consumers can identify with.

DATA SOURCES

Nielsen data: Week ending 08-14-2021 Total US XAOC + Liquor Plus

Internal Westward data