

CELEBRATING 300
YEARS & MAKING
IRELAND'S
LOCAL JEWEL
COOL...



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CATEGORY
BRAND IDENTITY

SUB-CATEGORY
BRANDED PACKAGING DESIGN

CLIENT COMPANY
DIAGEO IRELAND

DESIGN CONSULTANCY
JDO

DATE
MAY 2010



When times are tough people turn to brands they can trust, brands that have stood the test of time, brands where experience counts...

Executive Summary

Marking its 300 year anniversary this year, Smithwick's celebrated with a dramatic redesign. It needed to be dramatic – despite its heritage and brewing credentials, Smithwick's was on its knees.

Since its heyday in the 70s and 80s, when it outsold Guinness with 30% market share, Smithwick's has been in decline for 15 consecutive years. By 2008, with 5.6% market share, Smithwick's years of good fortune seemed at an end.

The reason? Smithwick's had become outdated, particularly amongst younger drinkers who were defecting to continental lagers. The brand looked unloved, dusty and out of touch.

In 2008 JDO's brief was to create an outstanding brand identity to woo back lapsed drinkers and introduce the Smithwick's story to the uninitiated.

This livery would extend to the off-trade packaging and on-trade tap handle and bespoke glass with parity production costs, as well as a financially and environmentally-smart solution for the fount.

Most importantly we needed to transform an old 'dad' brand into a local jewel again.

2010 results –

Smithwick's delivered **16 million Euros in additional NSV** in the first 6 months, meaning the **design paid for itself in 2.8 days**.

Smithwick's has secured **217 additional distribution points** in the South of Ireland.

Diageo's target for the year was to win back **5,000 Adorers**. We **succeeded in winning back 12,000**.

Promotion budget was slashed by 20% YOY at launch so the only difference was the redesign

Smithwick's became the **fastest growing LAD brand** in the West of Ireland, having gained over 1.4% percentage points

Smithwick's is now the one Diageo brand that is **growing share across all 8 sales regions – consistently**.



(270 words)

Project overview

Outline of project brief

In 1710 John Smithwick, an orphan of the Irish rebellion who had settled in Kilkenny, became the owner of the small local brewery. John's is a tale of triumph over adversity, and 9 generations of Smithwick's created a brewing dynasty that had flourished for almost 300 years. In more recent times, however, the brand has been unloved. After 20 years of neglect, it was time to bring some of that courage and determination back to the brand.

JDO's brief was to:

To imbue the brand identity with Smithwick's rich history, product experience and core brand values of bravery, character and easy confidence.

To prompt reassessment of the brand – making it a brand to feel proud to be seen with
To develop a relevant and contemporary look and feel for Smithwick's to woo back ex-adorers (5,000 in first year) and appeal to a younger and wider audience.

To extend the new identity to the primary off-trade packaging (bottles and cans), as well as on-trade font, tap handle and bespoke glass.

To create a financially and environmentally-smart solution for the counterpoint, particularly an 'eco-nomic' font illumination

Description

Coming from a real place with a 300 year heritage, Smithwick's is a brand with a long and rich history during which the product has been honed and perfected into a superior and effortless pint. The Smithwick's brand embodies character and experience. The brand positioning was redefined with this as a central proposition. The aim was to attract men in their 30's who are grounded, confident and have nothing to prove – people who value experience as a quality.

Overview of market

In the 1980's Smithwick's outsold Guinness in Ireland, each with more than 30% market share. This had steadily declined for Smithwick's to 5.6% before our redesign.

In addition, the Long Alcoholic Drinks (LAD) market has also been in decline and was predicted to shrink by 9% over the year ending June 2010. For the past 15 consecutive years, Smithwick's has lost considerable market share each year as drinkers defected to more cared-for brands like Heineken. Over the last 5 years Smithwick's lost 40,000 brand adorers to Heineken - these drinkers were simply fed up defending why they drank a "Dusty old brand" that "looked like the owners don't care for it". Diageo's target for the year was to win back 5,000 Adorers.

The challenge

To woo back lapsed Smithwick's drinkers with a design that confidently reasserts the brand's rich heritage and makes them feel proud to be seen drinking Smithwick's.

Project launch date: July 2009 **Size of design budget:** £247,000



Outline of design solution

Evolving the identity



HISTORIC BRAND WORLD

Beer was originally brewed by the monks near Kilkenny Castle in the 13th century long before the brewery that John Smithwick bought. The designers aimed to link this icon with the Smithwick's logo. 1710 stamped on the Castle's turrets locks in the brand's history, acknowledging Smithwick's endurance and tradition, yet looking to the future.

We made a radical change to Smithwick's brand colours. Inspired by the ruby red colour of the ale itself, the creatives made the bold move of changing the logo from the clichéd emerald green to a deep burgundy red. Together with an elegant yet robust typeface, the Smithwick's brand now looks prouder and more confident.



BEFORE



AFTER

New 3D expressions

The fount expresses the brand in its purest form – in 3D. The castle which is a central feature of our new logo design now makes up the shape of the fount itself conveying strength pride and easy confidence.

Use of legacy systems and common footprint with the old fount reduced operational impact and costs associated with changeovers.

Most importantly, we actively sought to introduce an 'eco-nomic' illumination for the counterpoint so we installed LEDs. These last 5 x longer than the previous fluorescent bulbs, which not only means reduced energy consumption and CO2 emissions, but also reduced service engineer visits.

The glass design similarly expresses the brand's confidence and brings elements of crafting such as the embossing, the red signature and statement 'superior Irish ale' all of which bestows brewing expertise and product quality upon the brand.



AFTER

Brand Guidelines

The guidelines capture the key messages behind the new identity in a simple and practical manner.



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(300 words)

Summary of Results

Increase in sales

Smithwick's has gone from being a brand in decline for 15 years to now being the one Diageo brand that is growing share across all 8 sales regions – consistently.

+5% Swing

The LAD (Long Alcoholic drink) market was predicted to drop by - 9% whilst Smithwick's at the end of the first Half (June 09 - Dec 09) was down only - 4% Vs LY, i.e. + 5% swing.

+2% Vs plan

So far Smithwick's are predicting to finish the financial year +2% Vs plan. (F'10 is this financial year and runs July 2009 - June 2010)

Original target for FY'10 (July 2009 - June 2010) was to get a +4% increase in volume through launch of the new livery.

+0.2% value share in only 6 months

So far (June 09 - Dec 09) the brand has grown 0.2% value share of LAD (Source: Nielsen MAT Dec '09)

Diageo's target growth for the entire year was + 0.3% growth, so in under 6 months of the year (to Dec) the brand has achieved two thirds of its target share.

+16 million Euros in only 6 months

Each 0.1% increase in share of LAD equates to roughly + Euro 8 Million in NSV, which means that in F'10 so far, Smithwick's has delivered 16 million Euro in additional NSV

ROI (on total investment) in 7 weeks

The total project cost was 4.5 Million to design, manufacture and implement. The total project has therefore paid for itself in 7 weeks.

ROI (design budget only) in 3.5 days

The design budget had paid for itself in only 3.5 days of additional sales



+4% increase in Brand Affinity

Affinity is evaluated via the statement "Smithwick's is a brand for me". Over the last 5 years Smithwick's lost 40,000 brand adorers to Heineken, they were just fed up defending why they drank a "Dusty old brand" that "looked like the owners don't care for it"

Diageo's target for the year was to win back 5,000 Adorers whereas we succeeded in increasing brand Adorers by 12,000 (Moving from 250,000 to 262,000 = 4.8% increase (Source: Millward Brown Landsdowne)

Success secures + 50% A&P

As a result of performance delivered through the new livery and glass, Diageo has committed to increasing A&P investment on Smithwick's by 50% in 2010

This is an indicator that the business views Smithwick's as a "best bet" to invest scarce additional resources behind. (Vs other portfolio brands they could invest behind - Guinness, Budweiser, Carlsberg, Smirnoff, Captain Morgan).

Increased Distribution

Since the launch of the new livery Smithwick's has secured additional 217 distribution points in the South and South West of Ireland, a traditionally weak area for the brand.

Fastest growing LAD brand

In the West of Ireland, where Guinness has the largest share of any part of the Country with almost 6 in 10 pints sold being Guinness, Smithwick's is now the fastest growing LAD brand, having gained over 1.4% percentage points in the last year alone. (Source: Nielsen)

Outperforms Budweiser on quality indicators

Launch support activity was Press and Outdoor advertising that showcased the new livery:

71% of respondents said "Smithwick's is a consistently high quality product" Vs 42% for the Budweiser "labels" ads (when tested in Sept 08) also "uses high quality ingredients" was 53% Vs Budweiser at 27

(Source: Millward Brown Landsdowne)



Off Trade promotion

As a result of our take home re-branding Diageo were able to activate a 6 cans for 9.99 promotion in Independents which resulted in 54 pallets of stock being sold over 3 weeks – 2x the expectation.

Improvement in staff morale

“Smithwick’s has had little organisation focus due to a lack of belief in the brand. Since our re-design however, this has turned around completely. We now have a brand we can be very proud of and the re-design has given the salesforce a real boost of confidence which we are seeing in the sales results. We’ve now been able to carve out a well-defined role for Smithwick’s, within what is a very busy portfolio of Diageo brands. We were told just 2 weeks ago that we have won the Gold medal at the Monde selection International Beer competition – the new livery made a huge contribution to that success”

Trevor Hunt. Diageo Ireland Smithwick’s Senior Brand Manager. 1st June 2010

Research Resources

Nielsen MAT Dec 09
Millward Brown Lansdowne

Other influencing factors

Did sales, advertising and promotional activity contribute significantly to additional sales post launch?

NO! Advertising and Promotional spend was reduced by 20% (€2.5m to €2m) at the time of the launch

The brand team were so impressed with the new identity design that the press and outdoor advertising featured the new livery as hero

Additional promotional budget has now been secured for this year (2010) due to the great commercial results. Diageo has increased A&P investment meaning a total of 50% additional A&P to be invested behind NSV delivering activity



DIAGEO'S MOST
PROFITABLE
BRAND



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