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Blue Star Gold

EXECUTIVE SUMMARY

Blue Star is a brand of Bavarian-style lager beer, marketed in Newfoundland by Labatt Breweries of Canada. Prior to its purchase by Labatt several decades ago, it was a very successful, independent Newfoundland brewery. Throughout the '70s and '80s, its fortunes sagged, as consumers gravitated to the more mainstream brands, such as Labatt Blue, Labatt Lite, Molson Canadian, and a competing local brand, Black Horse. This case concerns itself with the role of advertising in Blue Star's return to popularity over the five year period from 1990 to 1995.

As of 1990, the brand had received little or no advertising and promotional support for several years, with the exception of an American-produced campaign that failed to capture Newfoundland's distinctive cultural flavour.

Labatt and Vaughn Whelan & Partners Advertising Inc. (VW&PA) wanted to harness the unique sense of humour and local pride found in the Newfoundland market and use it to re-establish Blue Star as a premium local product for a younger target group. The brand already had a great deal of loyalty among older, blue collar customers, but this fact alone severely limited new volume growth opportunities.

At that time, there was only one other product that had positioned itself as an indigenous brand of beer and that was Molson's Black Horse. Its advertising focused on young beer drinkers and their lifestyles as students, party-goers, nightlife enthusiasts and so on - it was the Molson Canadian of Newfoundland. It should be noted that while Black Horse was known to be local in origin, the advertising was seen by many to be an imitation of mainstream North American beer advertising. As a result, this gave Labatt an opportunity to reposition Blue Star as the true local brew, with a positioning statement for Blue Star best expressed as: 'Blue Star is the ultimate Newfoundland beer, for Newfoundlanders, by Newfoundlanders'.

In five years, over 50 radio commercials were produced, all focusing on a different aspect of Newfoundland culture, heritage, language, humour and folklore. Several unique consumer, licensee and trade promotions were also implemented.

The results of this prolonged campaign show that during campaign periods, the brand's share more than doubled, without cannibalizing other brands in the Labatt portfolio. More importantly, when the advertising stopped, Blue Star volume sales declined. The relationship between advertising and consumption was remarkably clear. Creatively, the advertising was a hit with Newfoundlanders in addition to winning many major creative awards in Canada.

SITUATION ANALYSIS

In the spring of 1990, the Newfoundland beer market could be broken down as follows:

TABLE 1: NEWFOUNDLAND BEER MARKET

Brand	Share of market
Labatt Blue	25%
Labatt Lite	20%
Black Horse	20%
Molson Canadian	15%
Blue Star	2%
All others combined	18%

Generally speaking, Labatt was stronger with the older, traditional drinker, and Molson was stronger with the younger drinker. Nationally, including Newfoundland, Labatt had many separate marketing initiatives trying to alter this situation. Locally however, there was no clear strategy to attract the attention of these young beer drinkers.

There are two crucial facts regarding young adult drinkers in Newfoundland:

- This segment is notoriously loyal and resists switching brands.
- This segment is responsible for a very high proportion of the volume of beer sold.

While Labatt was able to dominate the Newfoundland market with its established national brands, how long it could continue to do so was difficult to predict, because of its reliance on the older drinker. Labatt clearly needed to tap into the youth segment, the potential of which had been demonstrated by the success of Black Horse. Strategically, Labatt needed a brand to capture young adult drinkers without alienating its core franchise.

The market situation was such that if Blue Star could be perceived to be the most relevant brand to young Newfoundland beer drinkers, this fact alone would make it the most distinctive. This was the key opportunity. Instead of competing with Black Horse on its own terms (television, rock music, mainstream youth imagery), Blue Star took a distinctly different route, with a strong radio presence and genuine Newfoundland humour in an attempt to be much more relevant to its target customers. In a very short time, this goal was achieved.

STRATEGY

Blue Star set out to become the most relevant brand to young Newfoundland beer drinkers by creating a role for itself in the most intimate corners of the target group's collective lives. To do this, the creative team decided to tap into the Newfoundland character, well-known for its dark sense of humour and its sly and irreverent wit.

Strategically, VW&PA recommended the idea of using the unique local sense of humour to express Blue Star's role in the lives of young Newfoundland beer drinkers. It would be a matter of: 'love my jokes; love my beer'.

In Newfoundland, there is perhaps no aspect of human existence that could be considered untouchable for the purposes of parody or satire. Newfoundlanders even refer to their island as 'The Rock', a bleakly humorous term for an island home stuck in the the North Atlantic. A further, humorous extension of this image is 'The Granite Planet'.

Blue Star was positioned as 'The Shining Star Of The Granite Planet', a copy line that embraces the beer's quality, its local origins, and stresses the ironic sense of humour. Tactically, we wanted to be as different from Black Horse as possible: humour versus music, radio versus TV, local versus mainland imagery. Creatively, the radio spots played up the local sense of humour and downplayed the beverage qualities. The commercials had the tag line 'Blue Star, The Shining Star Of The Granite Planet'.

Owing to the combination of the small size of the market (total Newfoundland population does not exceed 550,000), and Blue Star's small market share, there was no way that a large advertising and promotion budget could be justified. The best means of reaching the greatest number of target consumers was through radio, particularly the province-wide OZ-FM network. Radio enabled us to make the campaign and the brand seem

bigger than they were in reality.

Radio was also the best medium to create multiple executions of an advertising idea that is based on the rich local language, terminology, customs and culture of Newfoundland.

EXECUTION

There were two main challenges in the execution.

- Fulfilling an enormous production mandate on a minuscule budget;
- developing truly original and appealing creative.

After exhausting the province's very limited number of ACTRA members in an early attempt at casting, an open mike audition was held. Over 200 people showed up and read from one or two prepared scripts, as well as being asked to improvise various characters. Out of this process, a basic cast of seven individuals, playing approximately 40 different characters, emerged - none having ever done any radio advertising before - and several never having acted. The talent agreed to forego cumbersome union regulations in favour of generous cash terms, making the scale of the project viable.

Over the course of three years, over 150 scripts were written, about half of them receiving regulatory approval from the Canadian Radio-television and Telecommunications Commission (CRTC). Of the remaining 75 scripts, most were approved by Labatt. After getting CRTC approval, we would go into a recording studio with a half dozen at a time. Using the actors' suggestions, the local client's input, and that of a few local writers, wags and wits, the scripts would evolve in the studio, to the point where the basic storyline remained intact, but the spots themselves were laced with improvisations, innuendoes, and references so arcane, and so local that only true Newfoundlanders could get the jokes, much less appreciate them. At one point, the criteria for a successful spot was if it was not understood by management back at the brewery in Toronto.

These takes were then flown to Toronto, where music and sound effects were added. The result was a beautiful combination of the most local content possible, with the best quality production possible. A special effort was made in Los Angeles to record several dozen versions of the tag line in a 'big American voice', to add to the contrast of the colloquial Newfoundland character and to emphasize the gentle satire of the campaign. This too was hugely effective.

Out of every ten commercials made, perhaps only five or six made it to air, for a variety of reasons. Spots were rejected because of client concerns, CRTC concerns, production concerns, or sometimes, just because they were not funny enough. Of the spots that did make it to air, all did so only after rigorous debate and testing among an informal, but highly critical group that included the client, local talent, consumers, and the agency's writers.

RESULTS

The brand's progress during those periods in which the 'Granite Planet' campaign aired is clear to see ([Figure 1](#)). Sales went up dramatically when advertising was in place, and the brand went back to its previous sales levels in the absence of advertising. This suggests two things:

- The advertising, aimed at youth, did not alienate the older, blue collar drinker, who was the core of the franchise.
- The advertising's creative approach worked. It attracted large numbers of younger beer drinkers to the brand in key periods.

Labatt followed up with further research that suggested the reason these beer drinkers did not stick with the brand during non-advertising periods was that regular Blue Star was too heavy and strong for their tastes. Labatt responded with a new, lighter product, called Blue Star Glacier Cold.

Together, Blue Star and Blue Star Glacier Cold are now slowly but surely chipping away at Molson's dominance in Newfoundland's young adult market, while spending only a fraction of what the competition does, and not cannibalizing other Labatt brands.

Advertising effectively doubled share in key periods and effectively pre-empted growth by larger competitors.

As a creative effort, the campaign won Gold Campaign and Gold Single Ad at The Canadian Marketing Awards, and Best Of Show, Gold Beverages and Silver Humour at The Radio Bureau of Canada Crystals Awards.

Promotions caused international press interest which helped generate publicity for the campaign. The campaign's success identified new priorities for Labatt, spawning a new, lighter spin-off brand which is now also successful. After an 18 month hiatus, some creative executions are still cited by consumers in focus groups and other research efforts.

CLIENT

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NOTES & EXHIBITS

FIGURE 1: SALES HISTORY OF BLUE STAR RELATIVE TO THE NEWFOUNDLAND MARKET

