

Cassies 2005 Cases

Brand: Alexander Keith's

Winner: Packaged Goods Beverage—Silver

Client Credits: Labatt Breweries of Canada

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Crossover Notes: All winning cases contain lessons that cross over from one case to another. The notes for this case are as follows, and are attached. The full set can be downloaded from the Case Library section at www.cassies.ca

- Crossover Note 1. What a Brand Stands For.
- Crossover Note 2. Brand Truths.
- Crossover Note 11. The Eureka Insight.
- Crossover Note 16. When a campaign stumbles.

To see creative, go to the Case Library Index and click on the additional links beside the case.

EXECUTIVE SUMMARY

Business Results Period (Consecutive Months): June 03 – December 2004.

Start of Advertising/Communication Effort: June 2003.

Base Period for Comparison: Historical data.

Alexander Keith's India Pale Ale was a dominant beer in Eastern Canada but a small brand in the Canadian beer industry. Expansion into Ontario/West (roughly 65% of industry volume, and a share point worth about \$30 million) was intimidating.

Advertising had to grab the attention of the young adult male target and deliver a heritage and quality message without boring them to death. And it did. Traditionally, most beer brands in Canada are supported with two-tiered advertising. One builds Brand Equity and the other communicates quality. In this case, we found a way to merge Brand Equity and quality credentials in one campaign.

In the year and a half since the launch of the campaign (end of 2004 vs. Q2 2003) Keith's share has grown 33%, and it has become the number 1 specialty beer in Canada.

SITUATION ANALYSIS

Alexander Keith's India Pale Ale has been brewed in Halifax, Nova Scotia since 1820, and is still brewed according to principles established by Alexander Keith. The brand is number 1 in eastern Canada, with a well-established history, and a dominant share of 30% + in Nova Scotia. To grow, we had to expand out of Eastern Canada.

In the late 1990s the Canadian beer industry started to change. Mainstream beers were being seen as generic. Consumers were being attracted to beers that came from somewhere different, or had a distinct story. The market began to fragment—thanks to the growing popularity of microbreweries, imports and specialty beers. History, craftsmanship and a distinct colour or taste became compelling stories, justifying a premium price.

Keith's launched in Ontario and the West in 1995, with a focus on the draft/on-premise channel. Support was limited to on-premise materials, with print and radio to preserve the small brewery image. As the market changed we needed to strengthen the perception of Keith's as a higher quality, premium beer. However, a TV campaign in 2002—building off of the Nova Scotia imagery—did not generate the desired results. **Crossover Note 16.**

For 2003 Keith's had to become a significant player in the specialty beer market. This was the objective:

Catch the attention of young adult males and deliver a heritage and quality message without boring them to death.

STRATEGY & INSIGHT

In Ontario and Western Canada Alexander Keith's had developed primarily as a draft beer. As a result, the main consumer was in his late twenties and thirties – and they consume less beer than younger guys. With that in mind, we decided to speak to a slightly younger drinker—those aged 25 to 30 who appreciate a more sophisticated beer.

After spending time with these guys, we landed on an insight that did not particularly apply to beer in general, but was very true for a beer like Keith's: **Crossover Note 11.**

Specialty beer drinkers need to feel proud of their choice in beer.

Specialty beer drinkers put more thought into their choices, and expect more of their beer than your average beer drinker. Their brand is a badge that they are proud to display.

Alexander Keith's has the authenticity to meet this need. The Nova Scotian heritage and the Alexander Keith story provide the perfect balance of product and aspirational image. **Crossover Notes 1 and 2.**

Now, we had to figure out how to talk about Keith's without resorting to pour shots and pictures of barrels and barley—which would go right over the targets' heads.

EXECUTION

Based on the insight of pride, we created a new brand idea:

Alexander Keith's is the pride of Nova Scotia. A pride worthy of respect.

Alexander Keith's is the real deal when it comes to beer. With a brewing heritage dating back to 1820, a rich history, and legend centered on brewmaster Alexander Keith himself, Keith's is worthy of respect. And there's a certain etiquette required.

The “Respect The Beer” campaign launched in June of 2003 with four TV spots, print and outdoor creative.

TV creative centers on a character dubbed Maritime Man. He embodies the pride drinkers feel for Alexander Keith's. He's so passionate about the beer he goes out of his way to educate people in the etiquette required when drinking it.

His accent and appearance are a nod to Keith's Nova Scotian heritage, and also help with the entertainment value of the campaign.

Each spot is centered on a beer crime—where a consumer has unknowingly disrespected Keith's. Maritime Man points out the crime, and uses the rich brewing heritage of Keith's to demand, “you best be giving that brew the respect it deserves.” The long-standing tag line “Those who like it, like it a lot” then closed out the story.

Beer Funeral



Label Peeler



Spilly Talker



Who's With Me

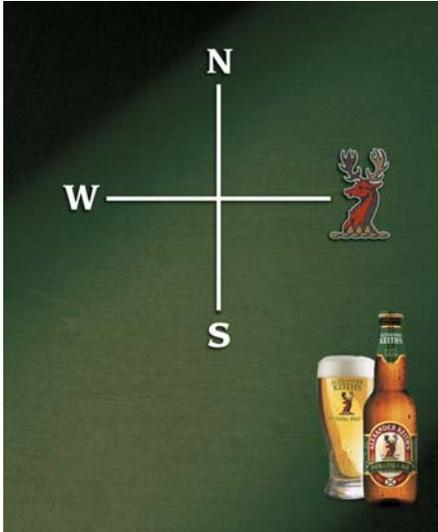


Print and Outdoor are based on facts about Alexander Keith or Nova Scotia, and have a humorous twist to reinforce the heritage. Print delivers additional reasons why Alexander Keith's is worthy of respect. The simplicity allows them to communicate unique event partnerships and work in specific locations.

**1843 - BREWMASTER
PROCLAIMED MAYOR.
NOW THAT'S GOOD BEER.**



N
W S



**HISTORY BUFF?
BEER CONNOISSEUR?
WE'LL LOOKY HERE...**

Those who like it, like it a lot.



IRON YOUR KILT.

JOIN US FOR ALEXANDER'S 209TH BIRTHDAY ON TUESDAY, OCTOBER 5TH

He was Mayor, Brewmaster, and hero of a great party. Seems only fitting that we honor him with a great big celebration. Look for live music, great prizes and, of course, the best which has the brewed drink that says it for the special occasion.

Those who like it, like it a lot.

THE LOWER DECK • SPLIT CROCK • CUREY'S • BIG LEAGUES • HALLERS ALE HOUSE • GORDON'S LOUNGE



**A BEER WITH THIS
MUCH HISTORY
SHOULD BE IN A MUSEUM.
OR A REFRIGERATOR.
OR A REFRIGERATED MUSEUM.**

Those who like it, like it a lot.

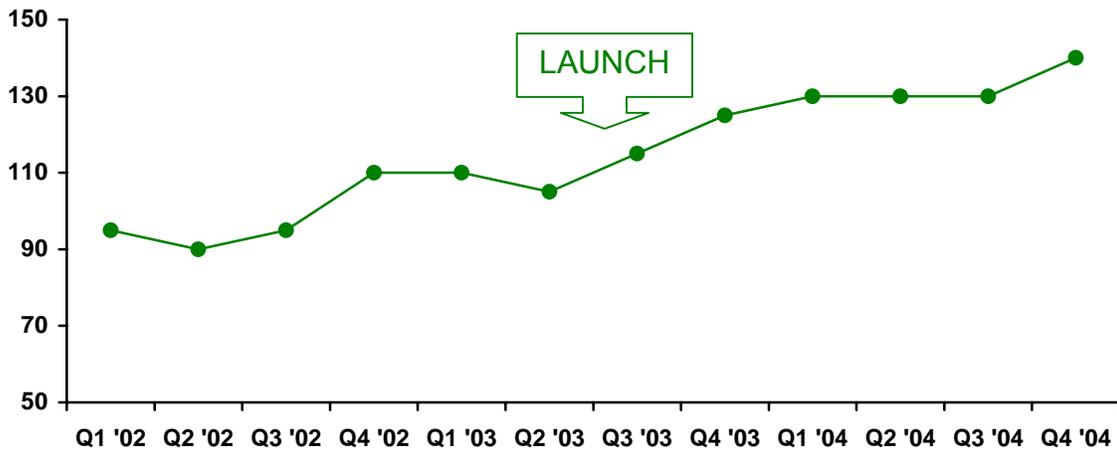


By staying rooted in the brewing heritage and quality credentials of Keith's, and adding an element of humour and entertainment, we appealed to younger specialty beer drinker, without boring them to death.

RESULTS

In a market where each share point is worth \$30 million, every fraction counts. In the year and a half since the launch of the campaign Keith's share in Ontario/West has increased by 33%, and this is worth \$20 million.

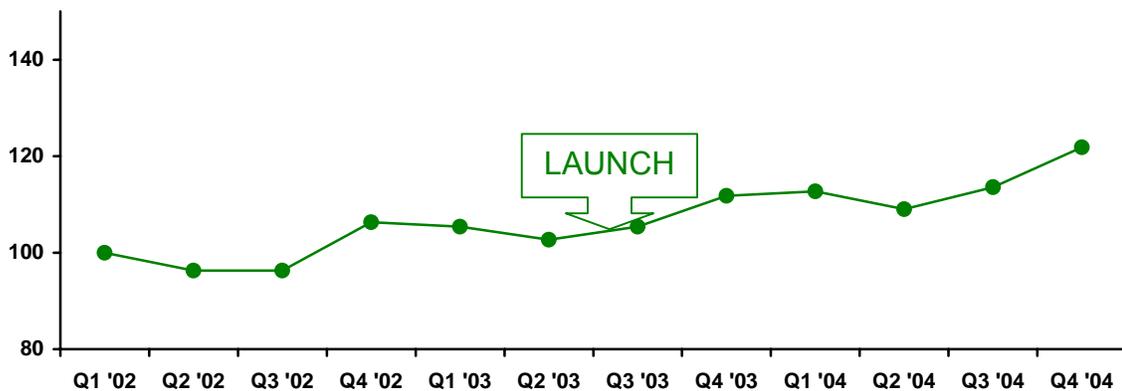
Exhibit 1: Alexander Keith's – Indexed share of total beer market Ontario / West



Source: Labatt Volume Data

After years of growth at roughly the same pace as the specialty beer market, "Respect The Beer" finally helped Keith's grow faster than the market and its competitors.

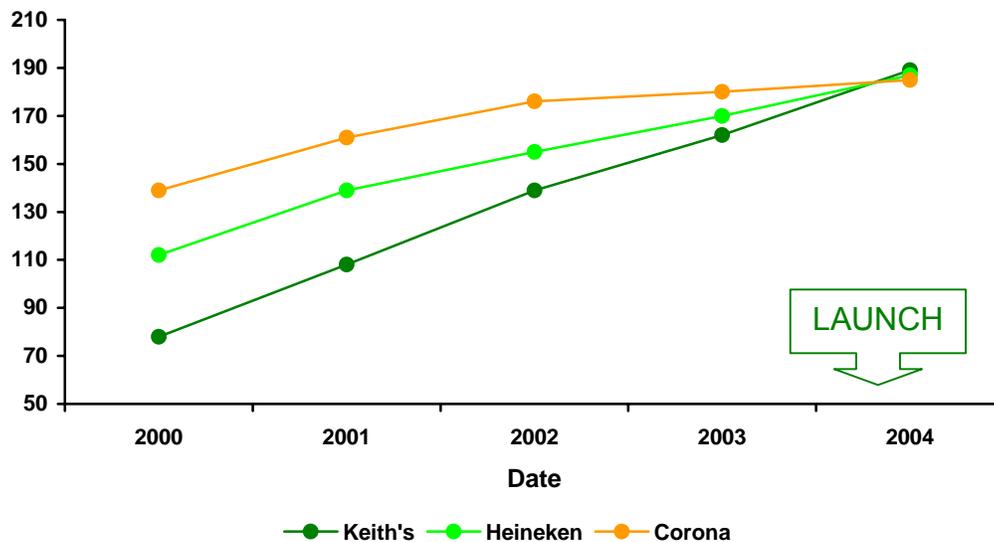
Exhibit 2: Alexander Keith's – Indexed share of specialty beer market Ontario / West



Source: Labatt Volume Data

One of the objectives was for Keith's to become a significant player in the specialty beer category. By the end of 2004 it had become the number 1 specialty beer in Canada. This is a major achievement against such well-established brands as Heineken and Corona.

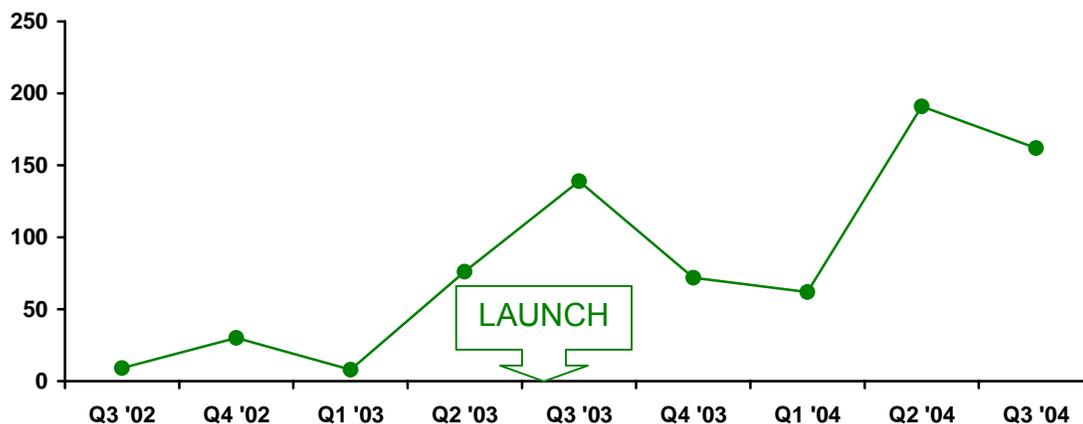
Exhibit 3: Indexed share of total beer market



Source: Labatt Volume Data

Since the launch of TV support in Ontario/West in 2002, Keith's had minimal advertising awareness. Immediately after the launch of "Respect The Beer" in June 2003, advertising awareness increased almost four times. A year after the launch, ad awareness was ten times higher than before.

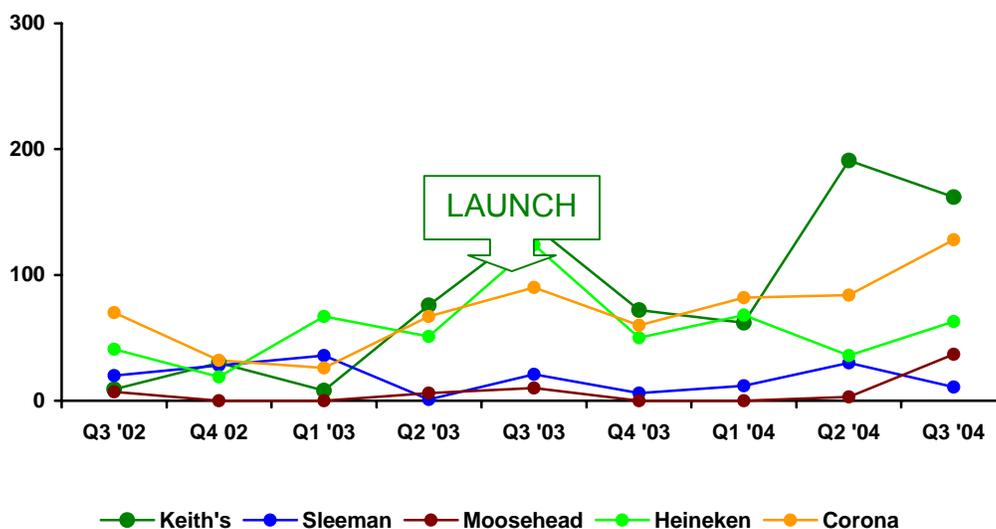
Exhibit 4: Alexander Keith's - Indexed unaided ad awareness Ontario / West



Base: Total sample (Males, 25-29) Source: Labatt On-Going Tracking

Before the launch of “Respect The Beer” all the major specialty beers were close for advertising awareness. Six months later, Keith’s ad awareness was significantly higher than Corona’s and several times higher than Heineken’s. Sleeman and Moosehead have not been able to come close.

Exhibit 5: Indexed unaided ad awareness Ontario / West 25-29 years



Base: Total sample (Males, 25-29) Source: Labatt On-Going Tracking

CAUSE & EFFECT BETWEEN ADVERTISING AND RESULTS

In the Canadian beer industry, government regulations and manufacturer practice ensure that many factor – such as distribution, pricing, and brewing remain constant across the category. This helps explain the importance of advertising to the industry.

Price. The price of Keith’s didn’t impact results. The only increases were made to meet average increases in the market, and Keith’s remained at par with the direct competition of Moosehead and Sleeman. In fact, to offset the impact of Alexander Keith’s, Sleeman and Moosehead recently resorted to significant limited-time price discounts in Ontario.

Packaging. Although the size and number of SKUs varies from province to province, all significant beer brands are offered in similar SKUs in each province.

Product. Alexander Keith’s has been brewed only in Nova Scotia since 1820 using the same original recipe. No changes were made to the brewing process.

Media. The media investment remained constant from 2002 to 2003 to 2004

“Respect The Beer” was a critical factor in making Alexander Keith’s the number 1 specialty beer in Canada.

End of Case. Crossover Notes follow

INTRODUCTION TO CROSSOVER NOTES — CASSIES 2005

[For Alexander Keith's]

Crossover Notes have been going for several years, and now run to 28 pages.

We used to attach a full set to all cases, but to save a few trees, we now include only the Notes particular to any case.

The idea of Crossover Notes occurred to me while I was editing Cassies 1997.

I was a consultant by then. Before that I had reached the category manager level at P&G (what they quaintly called the Associate Advertising Manager). I had then clambered up the ladder at O&M, eventually becoming President and later Vice Chairman—both in Toronto. P&G and O&M were both passionate about “lessons learned,” and so was I. In those days (it seems hard to believe now) we felt rushed off our feet. But we did have time to study if campaigns were working or not, and come to conclusions about why.

There are lessons, like gold dust, in all the Cassies cases. So in 1997 I decided to extract them. This started with bite-sized footnotes about lessons that “cross over” from one case to another. And the idea kept growing. It is still anchored to winning cases, but I also draw on other thinking for more complex issues.

You can use Crossover Notes in two ways. Although they didn't start out as a crash course in advertising, they are worth reading as a whole. You can also dip into them selectively. The headings on the next page will help you choose.

I've tried to be even-handed on controversial issues, but here and there you will sense my point of view. For this I thank the Cassies for not editing their Editor.

We now have over 150 published cases. They're a growing body of experience. I hope I've helped pass some of the learning on.

David Rutherford

Toronto: December 2005.

For advice on brand-building see *Excellence in Brand Communication*—authored by leading Canadians from across the marketing and advertising spectrum.

It is published by the ICA. See www.ica.adbeast.com.

INDEX OF CROSSOVER NOTES FOR CASSIES 2005

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5. The Total Brand Experience.	
6. Should the product be improved?	
7. Fighting for the Same High Ground.	
8. Classic Rivalries.	
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10. Conventional Wisdom—should it be challenged?	
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The Notes for this case are marked ✓ and come next.

ALEXANDER KEITH'S. CROSSOVER NOTES. CASSIES 2005.

1. **What a Brand Stands For.** People in real life hardly give the deeper meaning of brands a second thought. They know that some appeal more than others. They may have a sense that brands jostle for their attention. But that's about it. They certainly don't agonize over what is the essence of this, or the abiding truth of that.

But branding goes deeper than we in marketing may realize. Before marketing was even thought of, branding was part of life. Everything from national flags, to coinage, to the uniforms on soldiers, boy scouts and Supreme Court judges, to the plumage on peacocks (human and otherwise), is a form of branding. Business had an early example in the 1800s when Harley Procter of P&G heard a pastor quote a biblical text about ivory palaces. Goodbye Procter & Gamble White Soap. Hello Ivory. More recently, Tom Peters published *A Brand Called You*. And Tony Blair tried to re-brand the UK as "Cool Britannia."

A brand, in the fullest sense, is hard to define. Dictionary definitions tend to focus on the trademark aspect, and yes, branding does involve some sort of identifying mark. But this misses the point. What makes a brand valuable?

The answer is *The Advantage of Belief*.¹ Charles Revson of Revlon famously said, "In the factory we make cosmetics. In the store we sell hope." In other words, a brand is not a product; it's what people believe about a product. These beliefs can be immensely powerful. The most astonishing is the placebo effect. In clinical trials, many patients respond to the "sugar pill," even when they have serious diseases. We see the same thing with blind and identified product tests. With a strong brand, the preference jumps. (See *What's in a Name* by John Philip Jones.) And when the *Advantage of Belief* takes hold, it leads to a long list of benefits:

- | | |
|-----------------------------------|---|
| a) Customer loyalty | e) Facilitating brand extensions |
| b) Higher price | f) Withstanding competitive attack |
| c) Higher cash flows | g) Motivating staff and attracting new talent |
| d) Higher long-term profitability | h) Potentially augmenting the stock price |

This doesn't, of course, answer the question, "how do you build these beliefs?" There are widely varying notions, but most agree on the basic principles: (1) stake out what the brand can and should stand for (2) stick with this over time (3) evolve to account for lessons learned and market changes.²

This can't be done by empty promises. We have to assess what consumers want against what the product delivers—and tell the story better than competitors do. We have a melting pot of perceptions and reality to work with. All the "brand" ideas are there to help—Brand Image, Equity, Personality, Character, Essence, Relationship, Footprint, Truth, Soul, Identity, and so on—along with old faithfuls like Positioning, Focus of Sale, USP, Features, Attributes, Benefits and Values. Whatever the terminology, though, "what the brand stands for" is critical.

¹ This is a phrase of mine, though the idea that a brand is "more" has been described by many authors.

² How do you do this, and evolve? See *Excellence in Brand Communication*: www.ica.adbeast.com

- 2. Brand Truths.** Successful advertising (in fact all successful communication) resonates with its audience. As a marketer, you may want people to believe that you have the best-tasting coffee, but simply saying, “I have the best-tasting coffee” will not usually get the resonance you need. One school of thought is to say the obvious as loudly and crassly as you can. We could call it the Bad Boy syndrome. Another has led to the idea of Brand Truths. These operate on a deeper level than simple claims. One of the top UK agencies described it as “we interrogate the product until it confesses its strength.”

I was once the Brand Manager on Tide, and when we were asked, “What does Tide stand for” we said, “Superior cleaning. Not whitening. Not Brightening. Not Fabric Care. Superior *cleaning*.”³

Superior cleaning was the religion on Tide, and Tide delivered, despite the cliché that all detergents are alike. But this was only a glimmer of the Brand Truth. If you “interrogated” Tide the most startling truth was the *intense belief* of Tide users. This came to life in the immensely successful “Two for One Swap” campaign. Hidden cameras watched as women who had just bought Tide were offered two boxes of another detergent in exchange. They adamantly refused, delivering off-the-cuff endorsements that no copywriter could ever have come up with. The campaign ran for years, and only came to an end because of its success—women knew it so well that the “candid camera” interview became impossible. Many Brand Truths are also insights, and for a list see [11. The Eureka Insight](#) and [12. Changing the Goalposts](#).

- 11. The Eureka Insight.** These feature in many cases. Some examples:

- Oh Henry! None of the gut-fillers had tried to own hunger, even though it was the high ground for the category. Cassies II. See also [Crossover Note 7](#).
- Buckley's. Rather than side-step their bad taste, Buckley's relished it. Cassies III.
- Chrysler. Minivans were “my most expensive household appliance.” Even so, *emotion* was the key to an immensely successful launch. Cassies III.
- Philadelphia Cream Cheese. In research, people often do not own up to what they really want, which in this case was “permission to indulge.” Cassies III.
- Richmond Savings. Almost everyone hated banks, but it still took insight to turn this into the “Humungous Bank.” Cassies III.
- Eggs are natural, but in word-association tests, consumers did not say so. (See [12. Changing the Goalposts](#).) The farmer campaign brought “natural” to life.
- Sunlight. Getting dirty is fun. This is diametrically opposed to the conventional wisdom, dominated by Tide, that clean is good and dirt is bad. Cassies 99.
- Fido in Cassies 99. In an echo of Apple vs. IBM, Fido saw that consumers needed the human touch. See also Clearnet and “the future is friendly” in Cassies 2001.
- Diet Pepsi in Cassies 2002. They found a way to be youthful without being too young in the “forever young” campaign.
- Listerine in Cassies 2002: healthy gums, after a century talking about bad breath.
- Pro•Line in Cassies 2002: Appealed to non-experts with “Anyone can win.”
- Aero. Saw the power of “melting” in Cassies 2003.

³ P&G defined “what the brand stands for” by a document they called The Creative Strategy. In those days, if anyone even dreamt that the Tide Creative Strategy should include whitening, brightening etc. it was seen as an offence against all that was holy.

- Crown Diamond. Used the fact that men hate to paint in Cassies 2003.
- Super 7. Ignored the political correctness of being tasteful. Cassies 2003.
- Cottonelle. Talked to women as women, not as “family.” Cassies 2004.
- Quebec Milk. Saw the blindingly obvious. That just asking people to drink more milk might cause it. Cassies 2004.
- Toyota Sienna. Realized that the answer lay not in what minivan buyers do, but in what SUV buyers do. Cassies 2004.
- Irving’s Cruisin’ to Win. Saw the power of *small* prizes. Cassies 2005.
- Crescendo. Like Oh Henry! saw unoccupied high ground. Cassies 2005.
- Butter. Saw a way to use “natural” to connote taste and health. Cassies 2005.
- Anti-Smoking. Saw the power of “Stupid.” Cassies 2005.
- Jergens Ultra Care. Saw a way to reposition skin. Cassies 2005.
- Whiskas saw things from the *cat’s* point of view. Cassies 2005.
- Moores used the fact that their target audience hates shopping. Cassies 2005.
- Harvey’s realized the significance of The Grill.
- Quebec Lotto 6/49. If 6/49 winners are so generous, be nice to them.
- United Way saw power in the Hand icon.
- Leucan realized that there is still hope, despite childhood cancer.
- CIBC Run for the Cure saw the power in the Pinnie idea.
- Juicy Fruit saw how to build a new image by (almost literally) destroying the old one.
- Quebec Milk saw power in the obvious—if one glass is good, two are better.
- Plus virtually all the cases in *Crossover Note 10*.

16. When a campaign stumbles. This might be a momentary stutter and (if we were clairvoyant) we would know what was needed to make a minor fix. But it might be the first clue that something is going off the rails. In this situation, the pressure can lead to snap (and wrong) judgments. The best answer usually comes from a blend of experience, judgment, intuition, vision, and research. Here are some pointers.

1. **Dig deep into trends and tastes.** You could be on the wrong side of a tectonic shift. They can be massive. “Made in Japan” used to mean a cheap, shlocky, knock-off, and North American business took years to see what was coming. *Crossover Note 6*. Consider Listerine. “Always a bridesmaid, but never a bride” started life in a Listerine advertisement, reflecting a bad breath positioning that had been in place for as long as anyone can remember. But a shift was happening, towards the idea of a healthy mouth. (See Cassies 1995 and 2002). Something similar has happened in toothpaste. At one time, Pepsodent (“you’ll wonder where the yellow went...”) was the leader, and whitening was the high ground. Crest came along with fluoride (and dental association endorsement). This transformed the market, and Pepsodent slid into history. Over the next generation, though, cavities stopped being the problem they once were.⁴ The market started to shift towards “mouth health” and Colgate got there first with Colgate Total, knocking Crest off its number 1 perch. Crest responded with Crest Complete—and now the whole market has come full circle with a furious battle for whitening again.

⁴ Ironically, Crest had helped make this happen, by driving the whole market in this direction.

2. **Look at the goalposts.** If they really haven't changed, then it's likely that you just have a short-term stutter. But if they have, try to envisage the new game. See 11. The Eureka Insight, and 12. Changing the Goalposts.
3. **Think through the change needed.** See 6. Should the product be improved? and 14. Refreshing a Continuing Campaign.
4. **Change for the right reasons.** It's broadly true that long-running campaigns—kept fresh and relevant—are great brand-builders. And it's sadly true that new people, wanting to make their mark, change things for change's sake. But once in a while, wholesale change is right. Molson Canadian (Cassies I) was a niche player when it launched "What Beer's all About" in the late 80s. Canadian became mainstream, and displaced Labatt Blue as market leader. You'd think they'd keep going with "What Beer's all About." And they did for a few years. But tastes were shifting. To stay ahead of this, they launched "I AM" in the mid 90s (Cassies III). This was successful, but eventually it too ran out of steam. Canadian then re-incarnated again with "Joe's Rant." (Cassies 2001.)

More recently, though this time the need for change more obvious, Juicy Fruit (almost literally) destroyed its former image with the guitar-smashing campaign. (Cassies 2005.)

End of Keith's Crossover Notes