

CAMPARI GROUP

Flavored Vodka Launches: Case Studies

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TOASTING LIFE TOGETHER

Agenda

- Consumer Insights
- Category Insights
- Competitive Case Studies
 - Absolut Lime
 - Ketel One Botanicals
- SKYY Infusions Case Studies
 - Watermelon
 - Cold Brew
- Key Lessons Learned

Consumer Insights

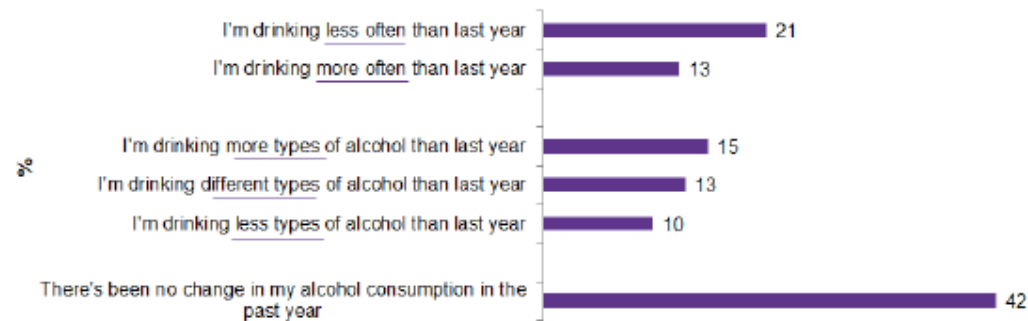
Overall, there is a significant percentage of consumers indicating a reduction in alcohol consumption.

Two primary reasons indicated are:

- Pursuit of healthier lifestyle
- Desire to spend less money

FIGURE 1: CHANGE IN ALCOHOL CONSUMPTION, JULY 2019

Which of the following best describes your alcohol habits? Please select all that apply.

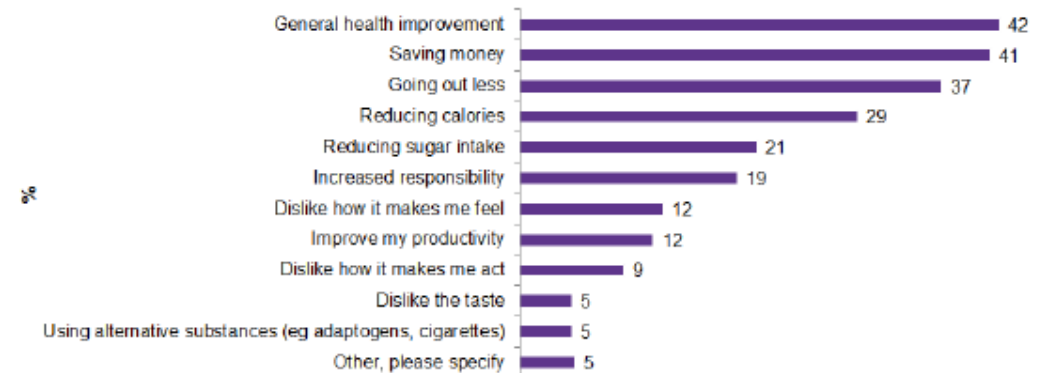


Base: 1,703 internet users aged 22+ who drink alcohol

Source: Lightspeed/Mintel

FIGURE 2: REASONS FOR DRINKING LESS IN THE PAST YEAR, JULY 2019

Why have you reduced your alcohol consumption in the past year? Please select all that apply.

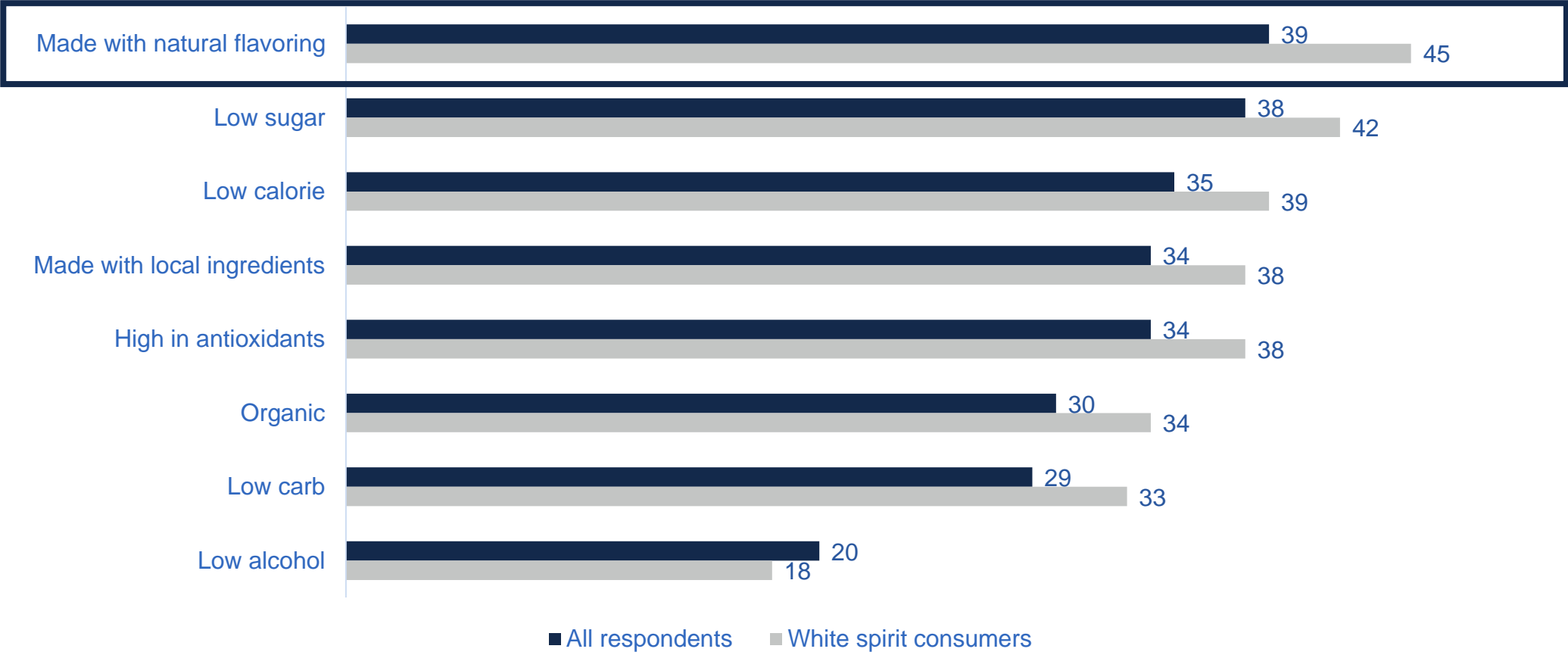


Base: 353 internet users aged 22+ who have reduced their alcohol consumption in the past year

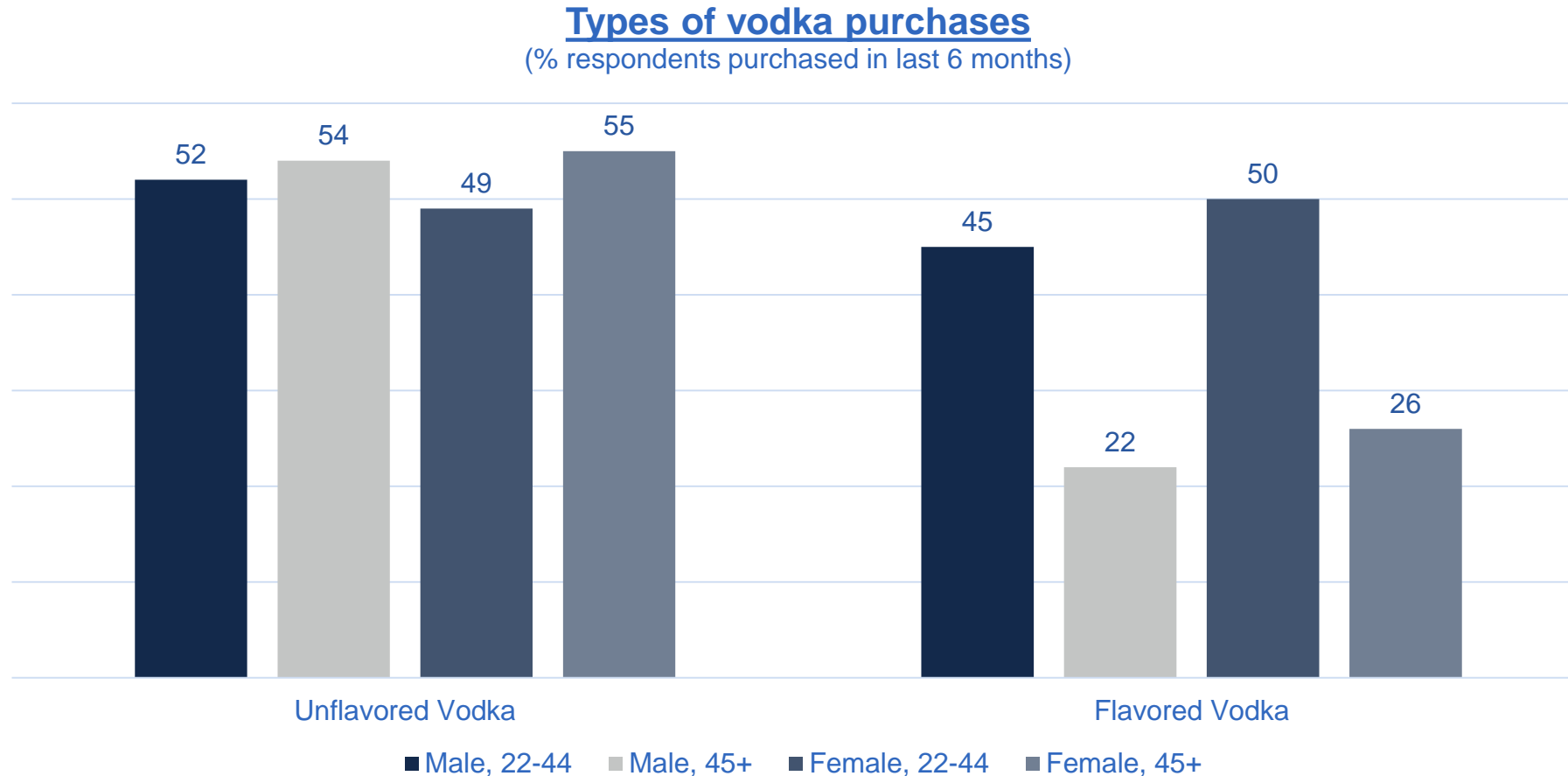
Source: Lightspeed/Mintel

As health becomes more of a concern for alcohol drinkers, there is an opportunity for ‘natural flavor’ innovation in white spirits

Alcohol Health Innovation Interest:
Which type of alcoholic beverages would you drink?
(% Respondents)

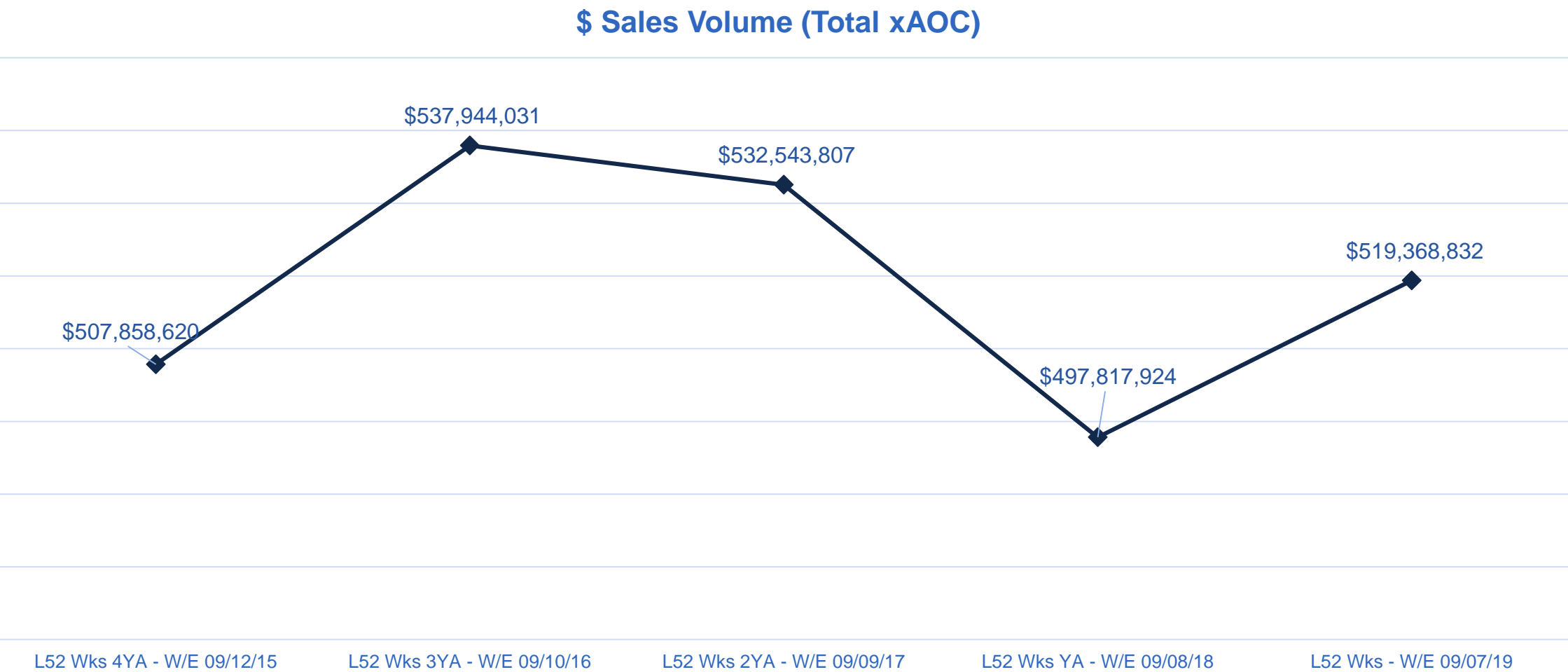


When it comes to recent purchasers, the flavored vodka category skews younger and female

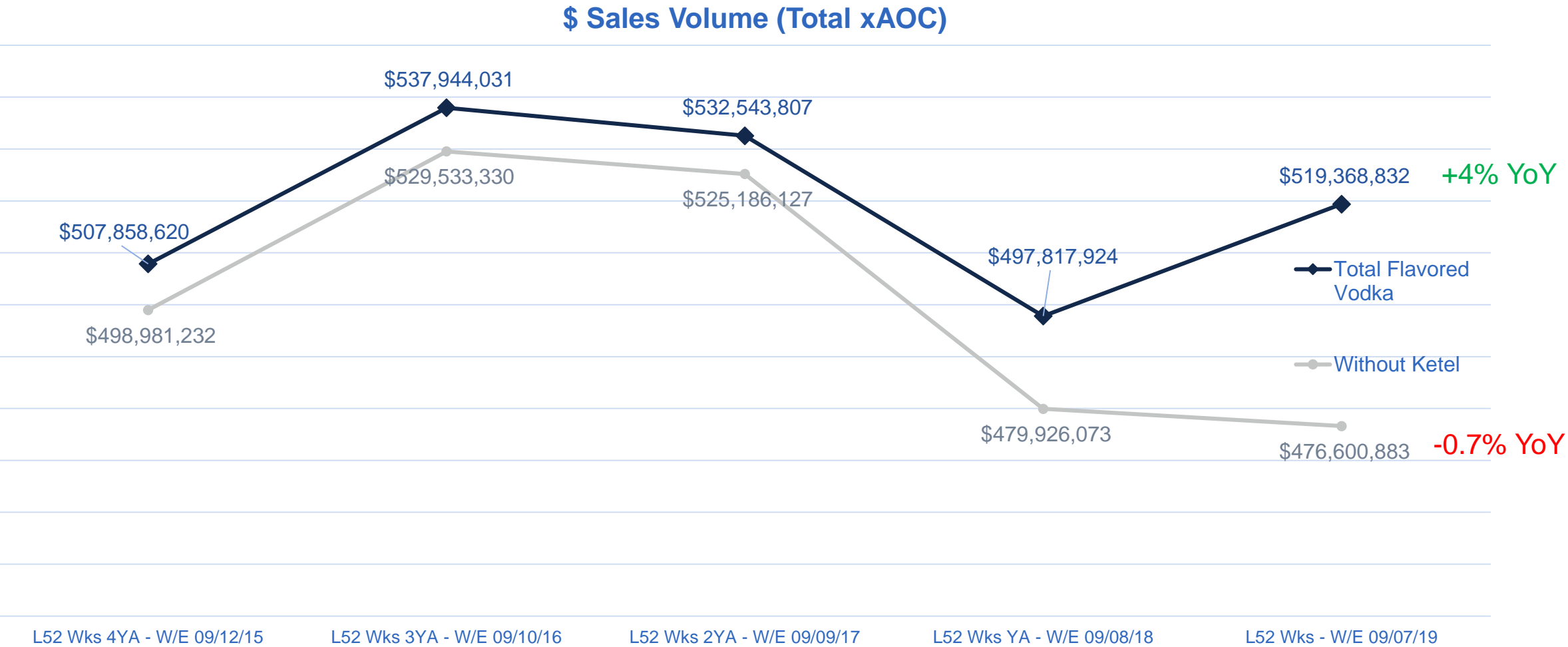


Category Insights

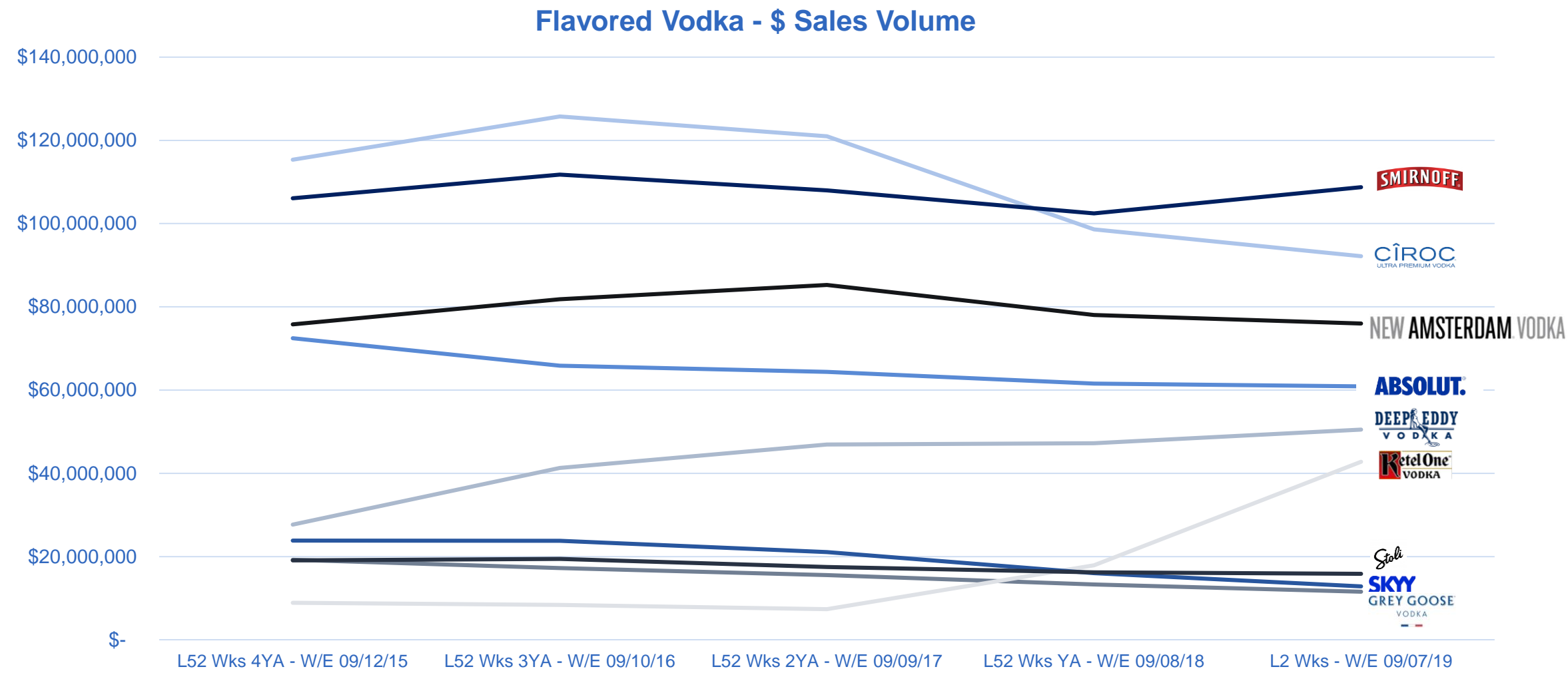
The flavored vodka category had been declining since 3YA, however we are seeing an uptick over the latest 52 weeks



This L52 increase is driven by the Ketel One Botanical Launch



This L52 increase is driven by the Ketel One Botanical Launch



Competitive Case Study: Absolut Lime

The announcement of Absolut Lime in January generated organic PR with a focus on ‘the first time in years’

Jan 2017

★ Feb 2017

Apr 2017

Feb 2018

Apr 2018

May
2018+



FOOD NEWS

For The First Time In Years, Absolut Vodka Adds A New Flavor: LIME

BeverageDynamics

WHAT'S NEW ▾ RETAIL GUIDES ▾ TOP 100 ▾ EVENTS ▾ AWARDS ▾

Absolut Launches New Lime Flavor

By Kyle Swartz - January 18, 2017

THE SPIRITS BUSINESS

AWARDS ▾ EVENTS ▾ BRAND CHAMPIONS ▾ JOBS SUBSCRIPTIONS

NEWS | PRODUCT | ON-TRADE | TRAVEL RETAIL | PEOPLE | MA

Absolut unveils lime flavour after portfolio cull

18th January, 2017 by Amy Hopkins



Absolut® Unveils Launch of New Absolut Lime, the Latest Addition to the Brand's Iconic Flavor Portfolio

Absolut Steps Into the Limelight with Debut of Absolut Lime at the 59th GRAMMY® Awards®

FORTUNE

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Absolut Releases Its First New Flavored Vodka in Four Years

By John Kell January 16, 2017

KEY HIGHLIGHTS

- Exclusively from natural ingredients
- Doesn't contain any added sugar
- Smooth, rich and very fresh
- Available nationwide in 750ml, 1L and 1.75L



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To kick off the brand, Absolut Lime sponsored the 59th Annual GRAMMY® Awards, including TV, digital, social and a signature cocktail – the Absolut Limelight

Jan 2017

★ Feb 2017

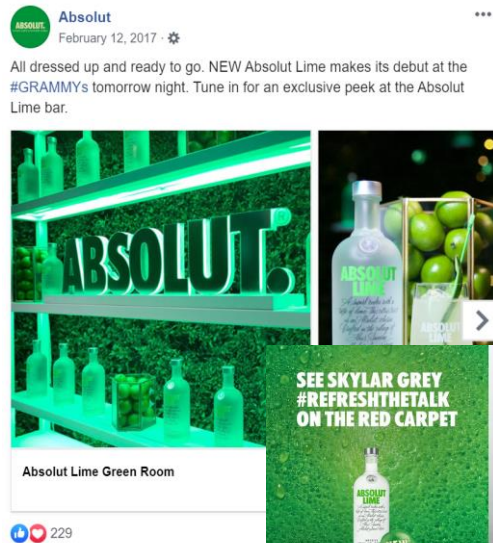
Apr 2017

Feb 2018

Apr 2018

May
2018+

The **#RefreshTheTalk** Campaign turned standard red-carpet fashion into a real conversation by tapping into the current cultural conversation across social

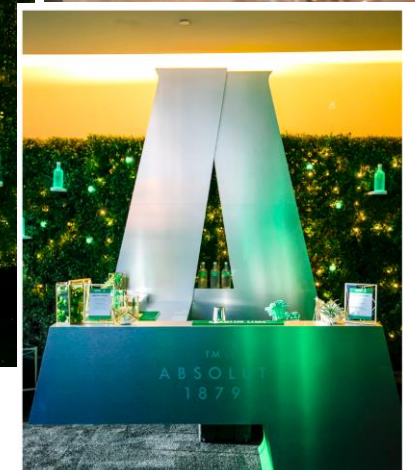
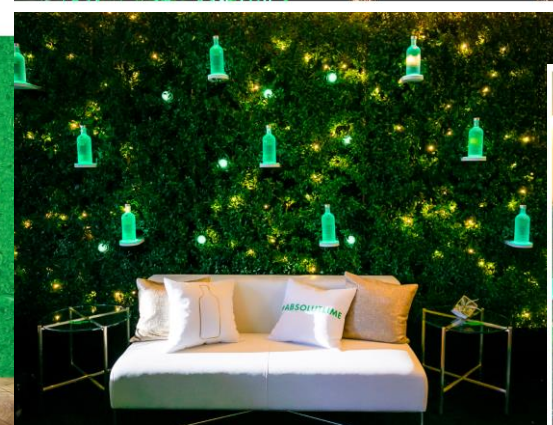


Absolut
February 7, 2017 · 🌐

We think it's time to talk about the important things on the red carpet. Let's #RefreshTheTalk about the #GRAMMYS, and start a conversation about real issues. Follow us on Twitter @absolutvodka_us and tell us what you'd talk about on the carpet.



462 Comments 739 Shares



- Red carpet conversation pieces
- Broadcast partnership with ET
- 59 branded bars across the Staples Center
- Digital Media Support

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Source: <http://blog.360i.com/web-design/absolut-lime-launch-takes-over-at-59th-grammys>

Using its existing presence from the GRAMMYs, Absolut Lime refreshed the festival experience by triggering touch, taste, smell, sight, and hearing

COACHELLA

Jan 2017

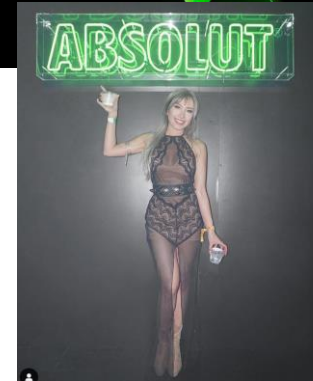
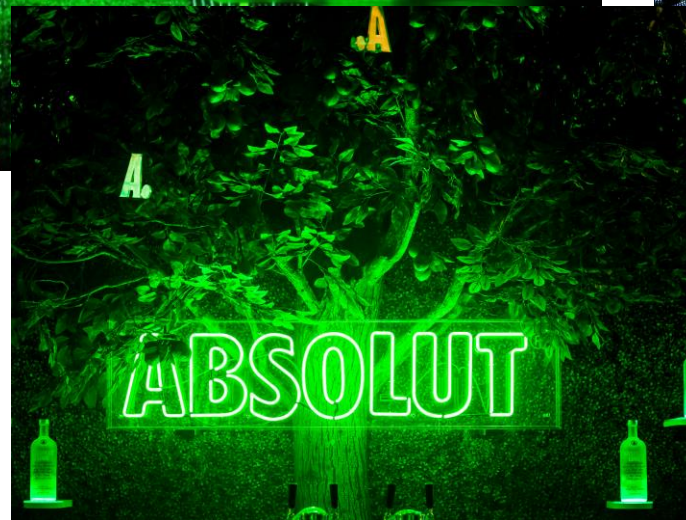
★ Feb 2017

Apr 2017

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May
2018+



"Lime Oasis" offered all-green, luscious tent filled with pops of branding

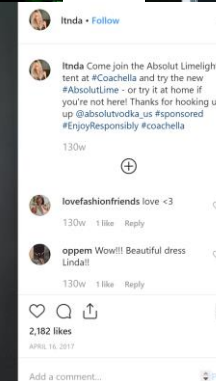
Taste: stellar cocktails

Touch: lime skin textures and greenery

Smell: lime diffusers upon entry

Sound: only the best DJ talent

Sight: green, green, green with a giant lime tree overhanging the bar



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Source: <http://hollyesmith.com/absolut-coachella-2017>

After sponsoring these large events in early months, Absolut Lime continued its brand momentum through 2017, focusing resources on social media & TV

Jan 2017

★ Feb 2017

Apr 2017

Feb 2018

Apr 2018

May 2018+



MOBILE-FIRST APPROACH



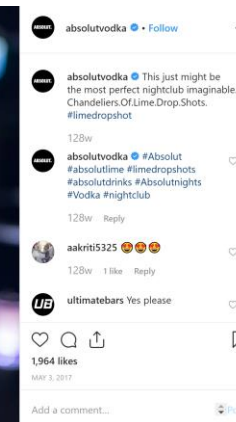
VIDEO
ADS



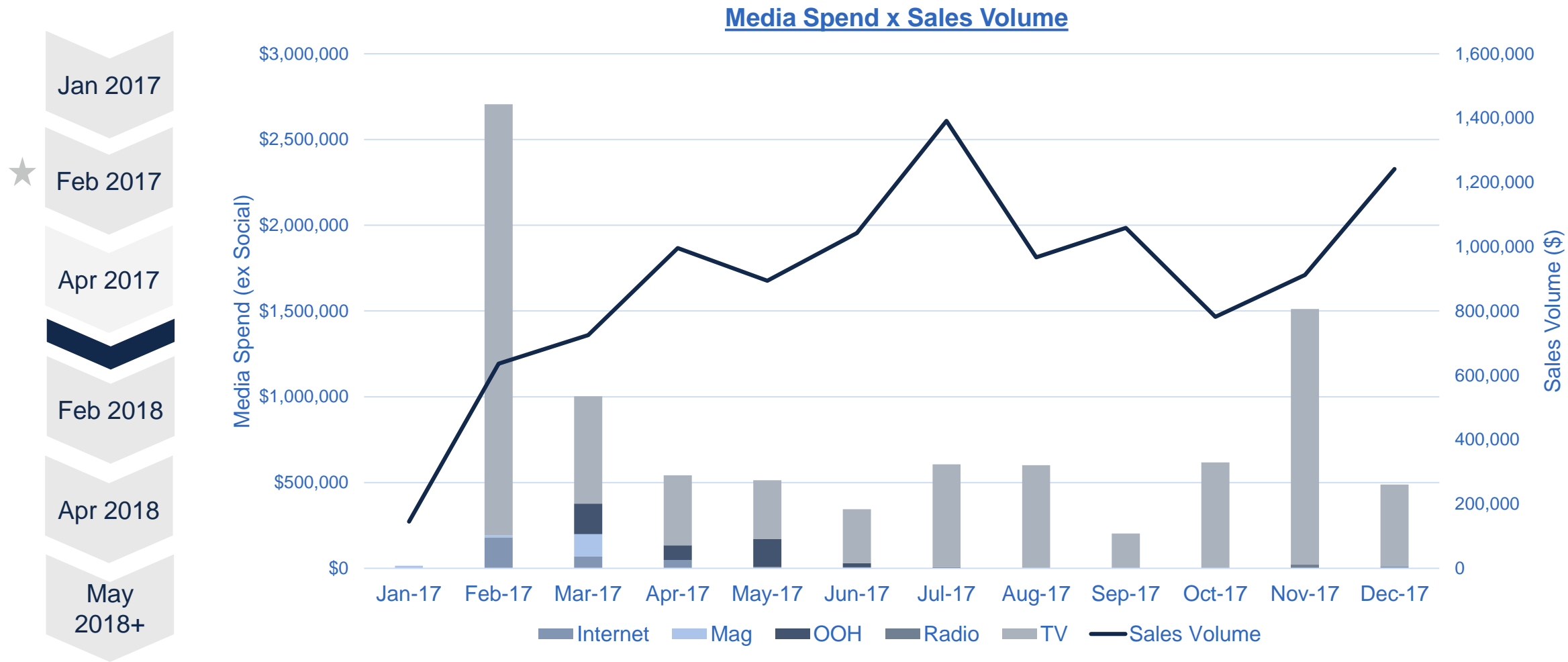
LINK
ADS



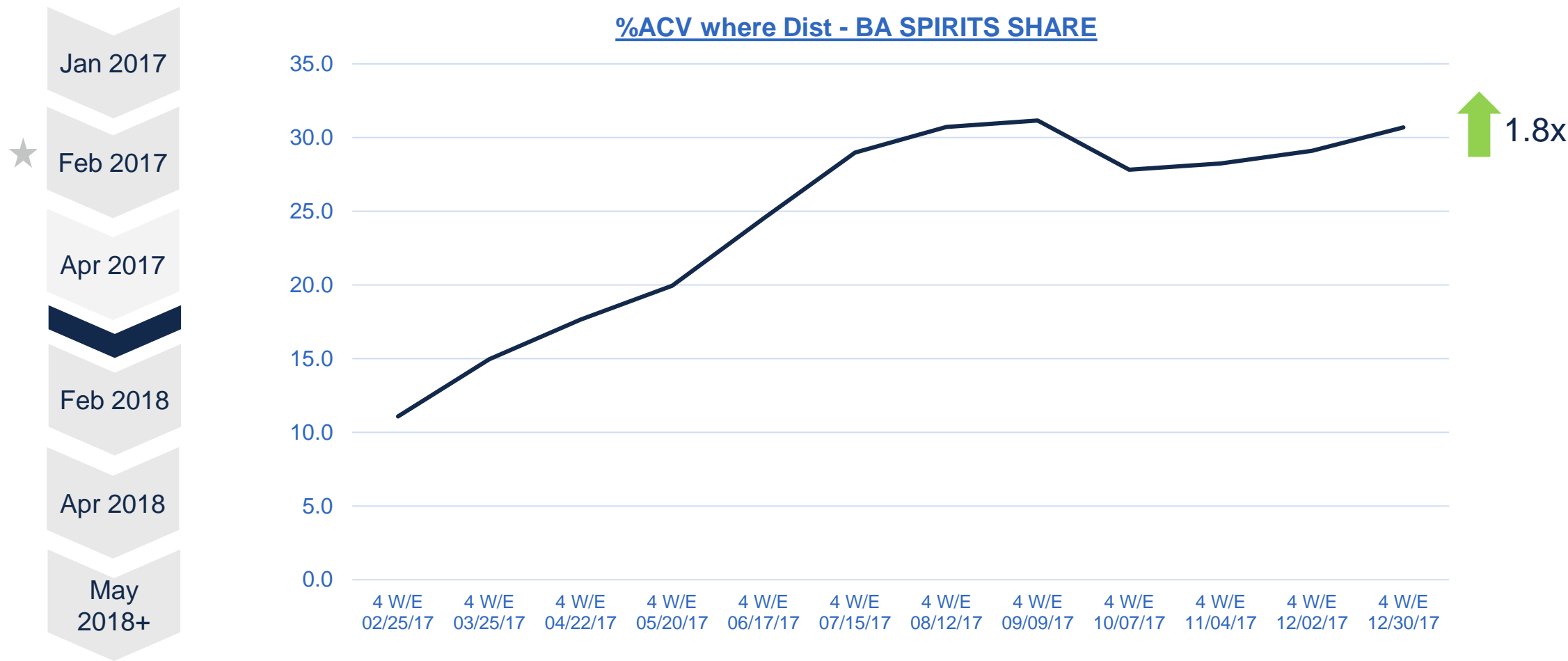
CAROUSEL



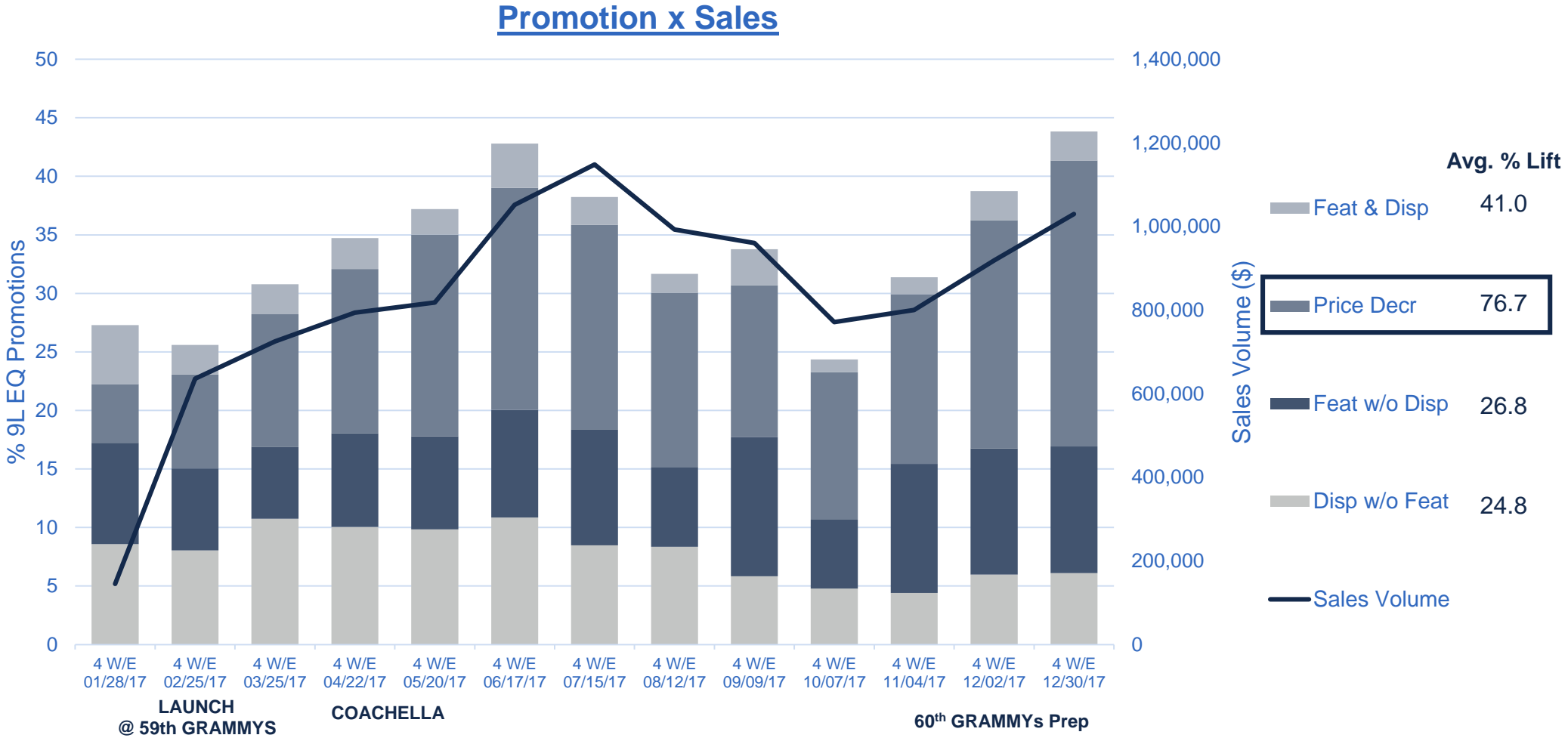
Media Spend (ex Social) in 2017 was dedicated to primarily TV during Absolut Lime’s larger kick-off events, taking up 90% of the \$9.1M spend



With increasing brand presence, Absolut Lime continuously gained distribution off-premise after launch



As distribution gained in early 2017, % in store promos increased, with an uptick of # of price decreases for Absolut Lime going into 2018



Absolut Lime started 2018 in the same way as 2017, sponsoring the 60th GRAMMY® Awards, with the culmination of its “Open Mic Project” which started in November

Jan 2017

★ Feb 2017

Apr 2017

Feb 2018

Apr 2018

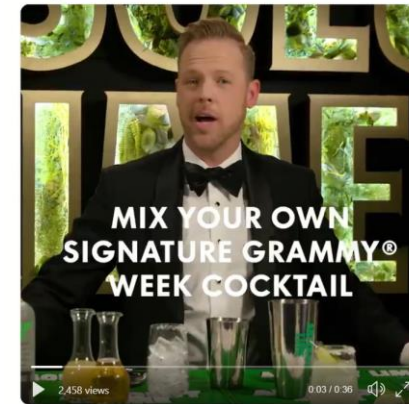
May
2018+

The **Open Mic Project**, championing commitment to diversity, acceptance and freedom of expression, brought Rita Ora together with fans to create a track inspired by their messages of acceptance



Ora live debuted the song *Proud* during GRAMMY's week

CBS @CBS
Cheers! The countdown is on to The 60th Annual #GRAMMYS, airing tonight on CBS. Get ready to celebrate with a signature GRAMMY Week cocktail, the Absolut Lime Vodkarita. Presented by @ABSOLUTvodka_us. bit.ly/2FnPf8t



10:57 AM · 28 Jan 2018

- On-Air Segments with ET
- Brand Integration on E! News
- Snapchat integrations
- Spotify homepage takeover
- Signature cocktails during GRAMMY week events
- Digital Media Support



Building upon their 2017 “Lime Oasis” activation, Absolut continued its presence at Coachella with Absolut Open House, standing for something bigger than flavor

The Absolut Open House provided a refreshing oasis that proudly celebrated all cultures, colors, identities, shapes, flavors, and people — the perfect compliment to the Kiss With Pride campaign and ongoing social efforts as a brand

Jan 2017

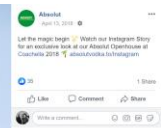
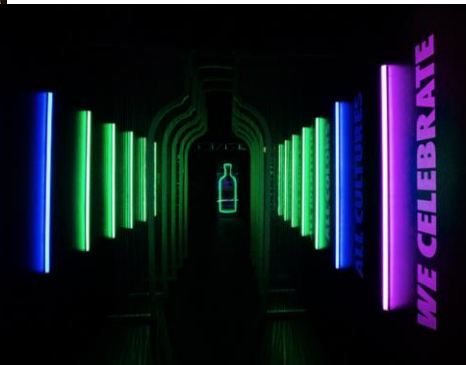
★ Feb 2017

Apr 2017

Feb 2018

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May
2018+



While Lime has currently taken a backseat in Absolut's media due to new launches, continued social content focuses around healthy options and cocktail creation



**NO ARTIFICIAL
FLAVORS,
NO ADDED
SUGARS**



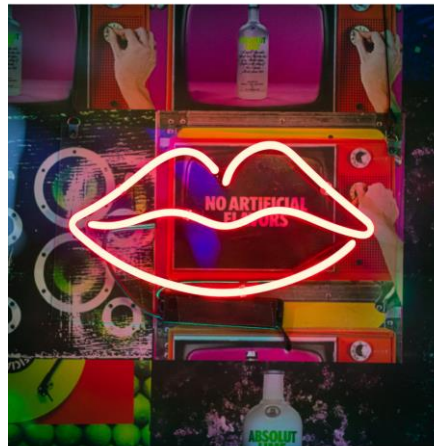
Absolut
May 5, 2018 · 🌐
Make a splash at your Cinco de Mayo party today by serving our delicious Vodkarita, made with no sugar added Absolut Lime 🍹
<http://absolutvodka.to/Vodkarita>



49

12 Shares

Absolut
July 6, 2018 · 🌐
Read our lips: Absolut Lime contains no added sugar and no artificial flavors. Sweet, right? <http://absolutvodka.to/LimeRecipes>

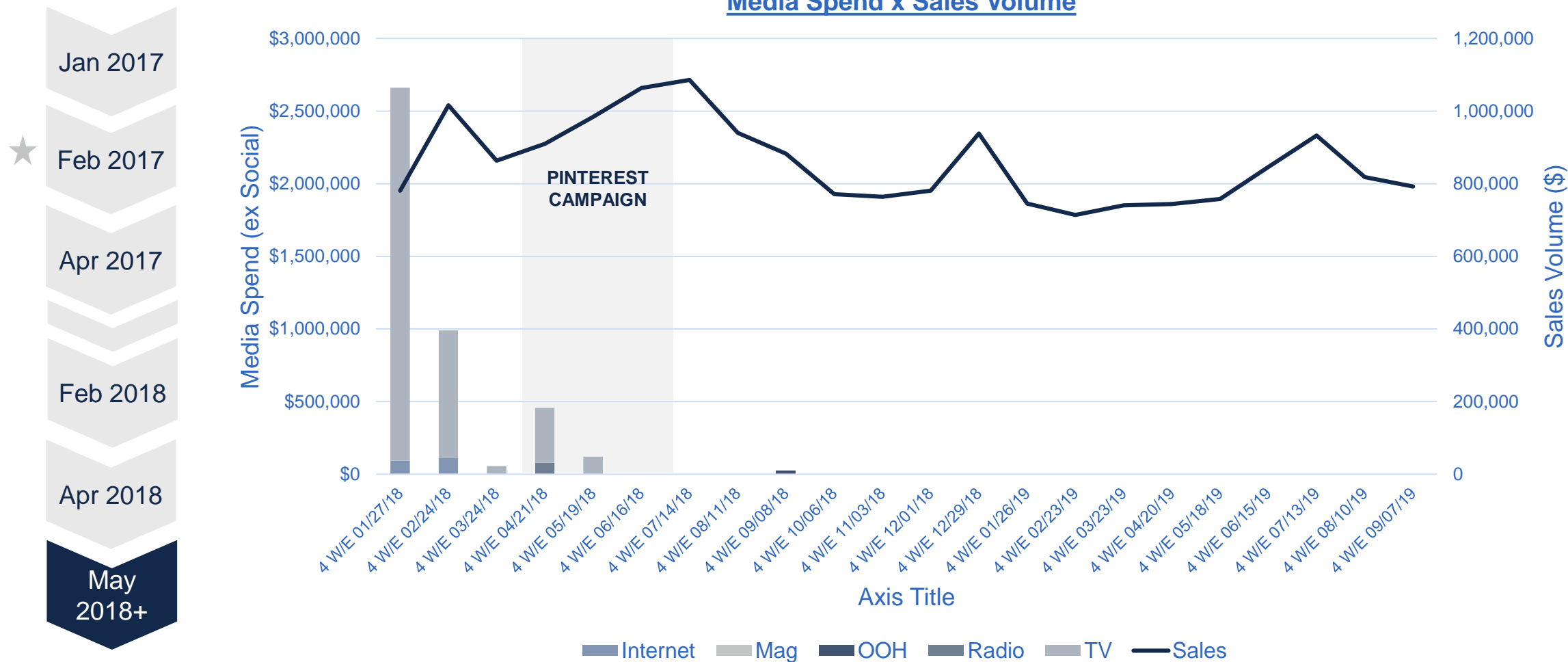


14

5 Shares



Despite limited media spend in 2018+, Absolut Lime sales remained relatively flat due to these continued conversations on social and off-premise promos



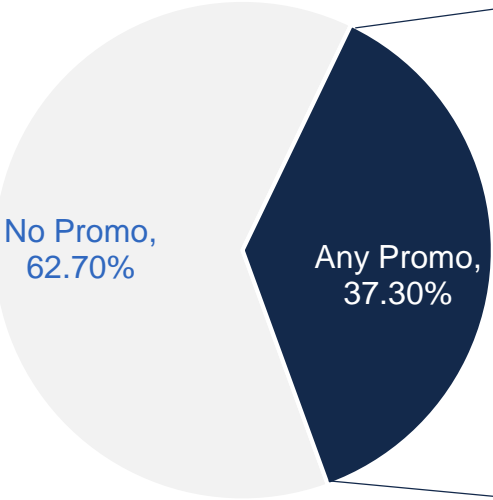
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Source: Mindshare, Nielsen AOD, Total US xAOC + Liq Plus; Media spend not captured for 2019

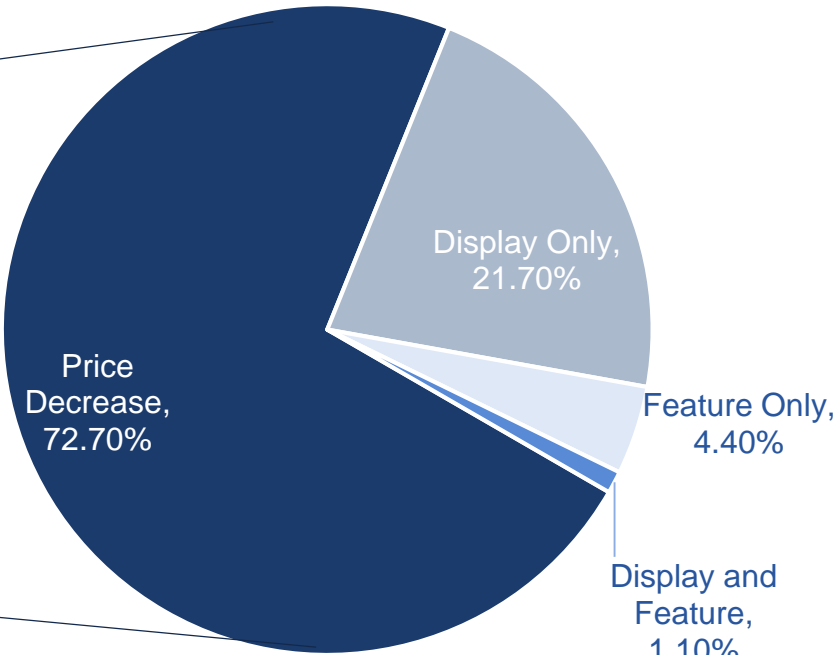
Absolut Lime today remains one of Absolut’s core brands and its off-premise promotions are still seeing incremental unit lift



9L Eq Units Promotion



Types of Promotion
(as share of overall promo)



Any Promo % Lift	76.4%
Price Decrease % Lift	89.9%
Display Only % Lift	32.0%
Feature Only % Lift	44.3%
Display and Feature % Lift	17.7%

Absolut Lime Launch Key Takeaways



WHAT DROVE SUCCESS

- 360° 'Absolut Lime' experience – TV, digital, social, event, at home
- Content highlighting social issues – #RefreshTheTalk, Open Mic Project
- Mobile-first approach on social media
- Continued support and content in year 2, even after new product launches
- 'No sugar added', 'No artificial flavors'



WHERE THEY MAY HAVE MISSED

- Off-premise displays account for more than a fifth of promotions yet seen lowest lift
- Still have distribution gap of 47% Total US xAOC compared to flavored vodka category