Dewar's brand repositioning essay sample

Business, Marketing



Dewar's was faced with a declining market among traditional Scotch whisky consumers. In addition, long-term consumption trends indicated that drinking preferences had shifted from distilled spirits to lighter, lower alcohol beverages. Though Dewar's had a favorable brand image and growing market share, repositioning Dewar's to younger adults was very necessary for the brand to remain competitive in the long term. Dewar's must take an appropriate repositioning strategy in order to create a positive brand's image appeal to younger drinkers without abandoning its current customer base.

I believe that Dewar's should take an integrated approach combining the maintenance and the repositioning campaigns in order to take advantage of its past achievements, avoid confusion, target both old and new market segments, and fit for budget constraints.

Firstly, Dewar's had made significant achievements in its past advertising campaigns and it should take this into account in its new campaigns. The main competitive positioning strategy that Dewar's used was to emphasize quality. Scotch is considered high-end liquor, and Dewar's is thought of as a premium brand. Dewar's positioned itself to have a sophisticated and mature image and during the 1980's ran two advertising campaigns to emphasize the high quality of Dewar's. The Profiles campaign focused on lifestyle and the type of individuals who drank Dewar's. The Legends campaign emphasized Dewar's Scotch heritage. Both of these campaigns were successful, and it was concluded that Dewar's customers valued the fact that Dewar's appealed to tradition in the Legends campaign but achievement in the Profiles campaign. The campaigns showed Dewar's to be prestigious and

reinforced the brand choice of loyal users, increased overall awareness, and helped to gain the attention of other Scotch drinkers.

Secondly, there was high risk of confusing and alienating existing users if run the maintenance and repositioning campaigns independently. Consider a mature Dewar's Scotch consumer who accustomed to the brand's traditional advertising, it was highly impossible that he would be confused when exposed to the firm's advertisements geared for younger Scotch drinkers, especially if Dewar's decided to run the new "Truths" campaign.

Thirdly, available campaign options allow Dewar's target both market segments. LBC suggested an "overlap" strategy to reach both the maintenance and repositioning targets with consistent and complementary ads. This would be the most effective strategy because both markets will be reached without either target being confused or abandoning its older base of current customers. Dewar's decided to target people aged 25-34 who visit bars regularly. The best strategy to increase consumption in this group was to expand the media plan including additional media channels, more communication vehicles, and promotional campaigns that were in line with the United States regulations and ordinances. The Remember When campaign was cohesive and consistent with Dewar's desired image.

The Remember When campaign would be the best ads to use for the overlapping ads because it can easily be modified to tailor to the market segment by changing age of character and situations displayed. It also shows the quality product and customers that Dewar's has. Some potential vehicles for the ads to reach both audiences are Maxim, GQ, Cigar, Travel,

Playboy, and specialty magazines. Additionally, Dewar's should advertise in a classy women's magazine such as Vogue and include a recipe using a mixer such as juice or soda. This would then bring Scotch into women's consideration sets and accomplish the goal of recruiting new and occasional users. If Dewar's does this, the traditional target market should not be alienated by the new brand image.

Even though independent maintenance and repositioning campaigns were feasible, Dewar's did not plan sufficient budget to run them separately. Underspending on either might jeopardize their effectiveness. Its fiscal year 1994 advertising budget available for both campaigns was set the similar level from the total of 1993 expenditure. It would be the best if spending could be used for both acquisition and retention purposes. An integrated approach could serve this purpose by appropriately balancing between media campaign and promotional campaign.

Finally, since on-premise promotional events are critical to changing behavior, the integrated approach could make Dewar's put more efforts on "on-premise" promotions, which would help to win trade support too. Media advertising could address Dewar's image, however advertising alone would not be effective in attracting new customers; the on-premise promotions would address the teat issue. Bar visits are great promotional tools, because free samples and promotions are useful and are attention-grabbing.

Targeting magazines that appeal to the same market as the individuals that visit trendy bars is important. Because these are new customers, it is necessary for them to get a high frequency of exposures to various forms of

advertisement for Dewar's in order for them to add Dewar's to their consideration set. As long as the drink tastes good, the consumer should be willing to try the product again, especially if it is seen as trendy and reinforced with advertising.

In conclusion, by using coherent campaign and promotional activities,

Dewar's should be able to successfully reposition their Scotch whiskey into a
younger market segment while still maintaining its older customers.