

Smirnoff promotional plan



**ASSIGN
BUSTER**

1.0 EXECUTIVE SUMMARY This report is a promotional plan for Smirnoff's new 'bottled premixed' Light'. The report provides guidelines for Light's promotional strategy for a period of one year 2006/07. The objectives of the promotional plan are to achieve growth for the Smirnoff brand by tapping into a new product and market, to increase market share and build awareness and preference for the Smirnoff brand in the affordable ready-to-drink (RTD) segment.

Light is a vodka-based pre-mixer, consisting of vodka, fresh juices and liqueur. Light will be positioned as an affordable, mass-marketed pre-mixer with a lower alcohol and sugar content to communicate the product as a diet alternative. The target market is young-adults, aged 18-27, particularly females (the primary market) and males (the secondary market). Females form the primary target market as the traditional consumers of RTD beverages; but Light will be positioned for both sexes to create an edgier image.

Light will be positioned as the diet drink for the price-conscious consumer, appealing to consumers seeking a healthy alternative. The main message of the advertisement will be: 'Less sugar', reflected in the slogan: 'Lighten up with 25% less sugar.' The campaign will use an integrated promotional approach, enlisting a range of media vehicles to support the campaign's central theme. Mass-media, as well as direct-marketing will be used for maximum exposure and penetration of the market. The campaign budget will be \$3 million for the launch and maintenance of Light and the Smirnoff brand. The campaign will primarily involve: sales promotion, support media, print media and the Internet.

To date, the RTD market is highly saturated with many competitors. In order to penetrate the market Light will need to successfully differentiate itself and build awareness of the product in the market.

2. 0 INTRODUCTION

Smirnoff is part of Diageo, one of the leading consumer goods companies' (Diageo 2004). ' Diageo was formed in 1997 through the merger of Grand Metropolitan and Guinness, and now has 85, 000 employees and an annual turnover of \$32. 6 billion' (Diageo 2004).

Diageo is the largest alcohol beverage company in the world, operating in 180 countries and employing 25, 000 staff globally. Diageo produces beers, wines and spirits and houses 77 leading global brands, including: Smirnoff, Johnnie Walker, Guinness and Baileys. Smirnoff is Diageo's leading white spirits vodka brand and is one of their primary growth drivers. Smirnoff vodka is ' the world's leading premium vodka', and is characterised by its unique smooth taste (Diageo 2004).

Smirnoff vodka was launched in the early 19th century, and is the brands oldest ' cash cow' product. In 1999, Smirnoff launched Ice, a RTD premixed citrus flavoured vodka beverage for the 18-27 year old male market.

Following this, Smirnoff Black Ice was launched with a slightly higher alcohol content. Since their launch, more than 2 million bottles of Smirnoff Ice have been sold (Diageo2004). The Smirnoff brand now has several vodka variants, as well as Smirnoff Twist - a citrus flavoured vodka launched in 2000. In 2004, the Smirnoff brand continued to enjoy growth selling 24.

2 million 9 litre cases and reporting 5% net volume growth and 4% net sales growth for the year ended June 30th 2004 (Diageo 2004). This year, Smirnoff

has chosen to enter the 18-27 year old female (primarily) and male (secondary) market segments again but with a new product to appeal to those Smirnoff may not have previously captured. A new vodka-based 'bottled premixed' beverage has been developed, 'Light', representing a new category in the RTD segment. This report outlines the promotional plan for Light for a period of one year (2006/07) for Lights introduction into the market.

This report will establish a promotional plan and target market for Light based on a situational analysis of the company, the market and the industry. Objectives for the brand, the campaign budget, the communication strategy, the creative strategy and a media plan will be established as the basis of the promotional plan. The implementation of the promotional plan will be the responsibility of the Smirnoff Brand Manager Kristine Hazelton and Marketing Director Pamela Bower-Nye. Advertising Federation of Australia (2004) ABAC Scheme: The Alcohol beverages advertising code and complaints management scheme [http://www.afa.org.](http://www.afa.org.au/WebStreamer? page_id= 2667)

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