



# Top movers and shakers

OLN's Growth Brands Report 2009 reveals some impressive trends. Nicola Collenette introduces the league table of trailblazing products

This is the second time OLN has drawn up its league table of growth brands – and what a difference a year makes.

Our list of the highest fliers is compiled from exclusive Nielsen data based on the performances of the 100 bestselling take-home drinks brands.

It then compared their sales value in the 12 months to April 2009 with the same period from the previous year.

This year, the top 25 listing is made up of 11 wine brands, six beers, seven spirits and just one cider.

The number one spot this year goes to Yellow Tail, boasting a still very impressive increase of 190% and a first for ale – as Old Speckled Hen becomes the first in its category to enter our

report, thanks to a 23% sales surge.

Two brands which are making waves, but too new to include in our 2009 top 25 list, are Inbev's Stella Artois 4% and Dino, an Italian wine made exclusively for Tesco.

Both newcomers have taken the market by storm with Stella Artois 4% reaching £34 million in value sales, and Dino £20 million.

But because our league table is based on percentage change in sales, they did not qualify for a place this year, though they are definitely two brands to keep an eye on.

Overall, our report delivers a well-deserved pat on the back to the names creating a buzz in the drinks aisles and offers a pointer for retailers on what's hot to stock.

## Top 25

Position	Brand	Value	% change
1	Yellow Tail	£24m	190%
2	Jacques	£19m	154%
3	Russian Standard	£18m	150%
4	FirstCape	£90m	135%
5	Ogio	£32m	118%
6	Viña Maipo	£25m	86%
7	Beck's Vier	£19m	84%
8	Cobra	£27m	58%
9	High Commissioner	£62m	55%
10	Vodkat	£22m	42%
11	Arniston Bay	£23m	42%
12	Beck's 5%	£98m	35%
13	Corona	£32m	34%
14	Lindemans	£127m	33%
15	McGuigan	£24m	32%
16	Isla Negra	£57m	32%
17	Peroni Nastro Azzurro	£37m	32%
18	Berberana	£23m	29%
19	Echo Falls	£102m	27%
20	Red Square	£22m	26%
21	Whyte & Mackay	£40m	26%
22	Absolut Blue Vodka	£29m	26%
23	Bombay Sapphire	£22m	25%
24	Oyster Bay	£49m	25%
25	Old Speckled Hen	£29m	23%
*	<b>Stella Artois 4%</b>	<b>£34m</b>	<b>New launch</b>
*	<b>Dino</b>	<b>£20m</b>	<b>New launch</b>

Source: Nielsen, MAT to April 18, 2009

# Fastest growing cellars

Though volumes have been sluggish, wine is the quickest growing drinks sector ahead of beer, cider and spirits. Christine Boggis takes a look at some of the best performers on the current league table

The light wine market as a whole is in trouble: even though other sectors of the wine market are now showing signs of recovery, its volumes remain completely flat.

But sales by value have grown by 5% – and performances from some of the top brands show that's not all down to duty hikes and exchange rate issues.

Of the top 100 drinks brands, 11 of the 25 fastest growers in the year to April 18 were wines, which compares to six beers, seven spirits brands and just one cider.

The fastest grower was Yellow Tail, whose sales soared a massive 190% to £24 million thanks to a nationwide roll-out, more SKUs on leading retailers' shelves and a programme of discounting, mainly based around £1.50 and £2-off deals, according to distributor Off-Piste Wines.

Joint managing director Ant Fairbank says: "The great thing is, it's not just big promotions, although obviously that has helped in a big way. The really important thing is that the ongoing rate of sale is really healthy, and the next goal is increasing that ongoing rate of sale."

The brand is running a programme of tastings around the country over the summer and autumn, which will incorporate events such as Foodies at the Edinburgh Festival, the Blenheim Horse Trials and the Wine Show in London. Fairbank says: "Casella [the brand's owner] believes it's all about taste – people buy it, take it home, show it to friends and it snowballs. That is how they did it in the States, that is how we are doing it, and it seems to be working."

The next fastest grower, from a much larger base, was First Cape, which boosted sales by 135% to £90 million. The brand, distributed by Brand Phoenix, is the success story of the South African category



and recently overtook Kumala to become the Cape's biggest brand.

First Cape has also increased its distribution this year, as well as investing heavily in sponsoring the British and Irish Lions' rugby tour of the Cape and adding SKUs – director Steve Barton says the brand has an average of 14 glass SKUs, plus bag-in-box, on retailers' shelves.

He points out that although South Africa is the wine-producing country doing best in the UK off-trade at the moment, only a handful of brands are driving that growth. However he is planning to capitalise on the Cape's potential this year and next.

### Top performers

"South Africa has had the Indian Premier League cricket, it has got the British and Irish Lions' tour, and the football World Cup. Consumer attention and free advertising for Brand South Africa is unmatched, and will be unmatched by any other wine-producing country in the world," says Barton.

Tesco's Ogio is the third-fastest grower, up 118% to £32 million, while another Tesco exclusive, Dino, has jumped to £20 million from a standing start after its launch in 2008. Both are Italian brands sourced directly from growers, designed specifically for UK consumers and based around a Pinot Grigio. Ogio, priced £8.99, also has a red Primitivo and a Zinfandel rosé, while Dino, priced at £7.99, also has a Sangiovese di Romagna.

Buyer Pierpaolo Petrassi says the brands have had "some quite aggressive promotional work", but insists their quality stands up at full price as well.

"There seems to be something in the DNA of the British wine buying public that loves Pinot Grigio," he says. "The challenge was that we were going to launch reds that were as successful. When they were on promotion customers were probably buying one of each, and if they really liked the white they would be more amenable to the red."

"We are educating customers and hopefully making sure they become a little bit braver in terms of looking at Primitivo and Sangiovese as more mainstream grape varieties."

Chile's Concha y Toro also has two brands among the fastest growers – Viña Maipo (up 86%) and Isla Negra (up 32%). Arniston Bay, another South African stalwart, is in fifth place with 42% growth, and Foster's Lindemans has boosted sales by 33%.

Commercial director Neil Barker says: "This growth has been stimulated by the introduction of a stronger value proposition for consumers during the current economic environment. Innovation has also played a key part with Lindemans Early Harvest and the new Lindemans country-of-origin ranges from Chile and South Africa performing well. The Lindemans range sourced from South Africa is the second-fastest growing brand in the South African category."

Australian Vintage's McGuigan range has grown 32% to £24 million, thanks

### Fastest growing wine brands

Position	Brand	% change
1	Yellow Tail	+190%
2	FirstCape	+135%
3	Ogio	+118%
4	Viña Maipo	+86%
5	Arniston Bay	+42%
6	Lindemans	+33%
7	McGuigan	+32%
8	Isla Negra	+32%
9	Berberana	+18%
10	Echo Falls	+27%
11	Oyster Bay	+25%
*	Dino	New

Source: Nielsen, MAT to April 18, 2009

to a move from being an independent-focused brand to targeting the multiples as well. It now has listings across a range of price points, starting at £4.49 and rising to £9.99, in Sainsbury's, Tesco, Co-op and Majestic.

McGuigan Classic was designed specifically for UK consumers, with a Merlot, Shiraz, Pinot Grigio and Chardonnay which does not sell in any other markets, and a design created around Wine Intelligence research.

General manager Paul Schaafsma says: "We have done a lot of work trying to make McGuigan appropriate for the UK market, and that has probably driven a lot of the growth."

The brand is following up its success with a presence at summer shows including Taste of London and BBC Good Food, a UK tour by chief winemaker Neil McGuigan, and a probable return of its Vineyard in the City event next year.

Also on the list are United Wineries' Spanish Berberana; Echo Falls, which is set to gain more exposure from Constellation's sponsorship of TV's Come Dine With Me; and New Zealand's Oyster Bay.



Sales of First Cape were up 135% to £90 million, ranking second in the fastest growing wine brands

# Value bubbles up for beer

Some brands continue to enjoy growth, despite flat volumes overall, writes Nicola Collenette

The lager category is still flat in terms of volume but the value figures tell a more positive story. They're up 4% on last year and the increasing amount of muttering about a good summer will hopefully come true. Six beer brands made it into this year's top 25 bestselling take-home drinks brands – two more than last year.

The big winner in the category was Inbev's Beck's Vier, which saw sales up 84%. Inbev also saw sales of Stella Artois 4% jump to £34 million since its launch in 2008. Beck's 5% also features in the top 25 after seeing a 36% increase in sales.

Andreas Hilger, Inbev UK marketing director, says: "Our innovative Stella Artois 4%, launched in the third quarter of 2008, delivered very good results in the fourth quarter and supported the Stella Artois brand's first market share gain in the UK since 2003.

"The Beck's family also presented an impressive performance as both Beck's 5% and Beck's Vier grew by strong double digits in 2008."

Indian lager brand Cobra saw a 58% uplift in value sales ahead of Beck's 5%, but only time will tell how this month's joint venture acquisition by Molson Coors will affect its fortunes in the long term.

The brand's off-trade plan saw a focus around Asian food through meal-deal activity, an increase in trial and penetration through secondary siting at key times of year, such as Christmas and the summer. Distribution gaps for the Cobra range within grocery and convenience retailers were also identified and filled.

A spokesman says that driving awareness was a key strategy for the brand, with



Cobra spending an estimated £40 million on marketing since its launch in 1990.

The media channels selected were TV sponsorship, cinema, press and outdoor.

Ads with the strapline The Home of Witty Banter ran during programmes including QI, Mock the Week and Top Gear.

Cobra secured a 12-month deal for prime-time sponsorship of programming between 9pm and 11:40pm every night of the week. This resulted in Cobra's sponsorship being seen by in excess of 25 million adults by the end of October 2008, including 77% of all 25 to 35-year-old males in Cobra's core target audience.

The spokesman adds: "The average price per litre for Cobra in the off-trade has increased by 0.4% for the year to March 21, so the increase in sales value has been driven by increases in sales volume."

Well's & Young's lager

Corona has continued to build on its sales successes from last year. Angel Garcia Gomez, head of Corona Extra in the UK, says the main drivers for growth have been events and promos, together with "high quality, innovative and up-to-date point-of-sale material, and a great range of branded merchandise".

He adds: "The brand also undertook major national and international sponsorships, such as a tie-up with MTV to promote its annual DJ competition, Movida Corona, and its premium positioning has helped underpin sales and pricing."

Italian brand Peroni says it has connected with customers with a through-the-line marketing strategy. Darren Tendler, sales director of Miller Brands UK, says: "This incorporates tailor-made activity and support for retailers, and wholesaler partnerships including links with Italian fashion designer Antonio Berardi and Italian designer Alessi. These partnerships reinforce our brand's provenance and premium status."



## Fastest-growing beer brands

Position	Brand	% change
1	Beck's Vier	+84%
2	Cobra	+58%
3	Beck's 5%	+36%
4	Corona	+34%
5	Peroni	+32%
6	Old Speckled Hen	+23%
*	Stella Artois 4%	New

Source: Nielsen, MAT to April 18, 2009

He adds: "Value growth for Peroni Nastro Azzurro is ahead of volume at +32%. Driving brand growth is a balance and we are committed to delivering brand equity, with volume being only a small part of the equation. Therefore value is as, if not more, important for Peroni, our portfolio and our customers.

"We are absolutely clear about who our target consumers are, as well as where and how they shop. These consumers are refusing to give up luxuries all together and still reward themselves with everyday treats, supporting the premium category."

Over the past 12 months the brand has had a number of on-pack promotions and added value packs including a 10+1 Glass Pack, an Alessi promotion and a gift pack.

Tendler says: "We work with our customers to maintain and develop brand equity while understanding that price is often part of the consumer decision process. However, Peroni buyers are prepared to pay a premium, so price is not our key focus. We work very hard at added value promotions while being hugely aware that margin delivery for our retailers is key."

## Success for old speckled hen



Volumes of ale are down 1% from last year but sales by value have grown 4%. Just one ale made it into the top 25 fastest growers on an MAT basis to April 18 – Greene King's Old Speckled Hen.

The brand saw sales rise 23% to £29 million because of its quirky positioning, premium packaging and a strong USP, according to the brewer's take-home director Neil Jardine.

He says: "I am surprised, in a way, that Old Speckled Hen is the only ale brand in the top 25. The category is in quite dynamic growth at the moment.

But the brand has always led the category and been a beacon because of its great stand out and presence on-shelf.

"Old Speckled Hen has a sense of humour, slightly tongue in cheek, but it's a beautifully crafted brand that appeals to a wide audience."

Jardine says that it also has a young appeal and brings new consumers into the ale category and advertising on cable TV channel Dave has plugged into that. The ads will continue through the year and are part of an above-the-line investment costing more than £3.5 million over 12 months.



# Vodka sets the Standard

Protest: Absolut's new lease of life under Pernod Ricard

It's all about brands in the spirits category and, according to the latest figures, vodka is leading the charge in a big way. **Laura Clark** reports on the future of the UK's trendiest spirit

In the fickle world of premium vodka, big budget ad campaigns and a hefty rise in sales go hand in hand. Spend enough money on marketing and the capricious consumer will rush out to buy the must-have brand of the moment.

Russian Standard felt this effect last year when an £8 million investment helped it grow sales by a massive 150% – catapulting it into bronze position in the league table of fastest-growing brands.

Cinema and TV ads depicting Russia's new breed of super-rich gave the vodka that much sought-after bling factor and distributor First Drinks Brands was quick to generate further excitement in the trade – with the declaration that Russian Standard was “a serious contender in the vodka category”.

This ambitious assertion immediately aligned Russian Standard to market leader Smirnoff, despite it selling a mere 1.4 million cases globally in 2007, compared to Smirnoff's 26 million.

But having deep pockets isn't all that's propelled Russian Standard into its cur-

rent lofty position, according to brand manager Joanne Birkitt.

“Russian Standard as a vodka brand is very credible because it's 100% Russian. It's produced in Russia and it's owned by a Russian. Consumer spending and insight tells us that consumers are looking for credible products and provenance that they believe in,” she says.

“What's also important is that vodka as a category is quite easy for consumers to understand and they know how to drink white spirits. We've got strong distribution across the four grocers and we're delivering great quality marketing.”

The global success of Russian Standard – it's available in 40 markets worldwide and in its homeland commands a 60% share of the premium market – speaks volumes about the brand's long-term prospects in the UK.

It will be backed by an above-the-line campaign, worth around £6 million, later in 2009, Birkitt reveals.

“We're investing heavily this year, with TV and cinema ads, media partnerships and a massive consumer campaign kicking off in three weeks,” she says. “It's about discovering Russia and bringing modern Russia to the consumer.”

It's telling that four of the seven fastest-growing spirits brands are vodkas, or a vodka liqueur in the case of Vodkat.

Since vodka overtook blended Scotch whisky to become the UK's bestselling spirit in the off-trade for the first time last June, the category continues to race ahead.

Intercontinental Brands' Vodkat has grown on the back of this strong category growth, with sales up 43% to £22 million. Similarly, Halewood International's Red Square has registered a 26% uplift, also to £22 million.

Following years of lacklustre sales under Vin & Sprit, Absolut appears to have been given a new lease of life from

new owner Pernod Ricard.

Sales have increased 26% to £29 million, largely thanks to the launch of Pernod's first ad campaign for Absolut since its acquisition of V&S.

Called Protest, the ad was rolled out during the G20 summit and showed police and campaigners having a huge pillow fight in a city street. It appeared on outdoor digital screens in London's Canary Wharf and across the Underground's platforms, as well as online.

The push continued Absolut's long-standing In An Absolut World tagline, which will remain a key marketing message for the brand going forward, according to Mark Hamilton, head of marketing for vodkas at Pernod Ricard UK.

“Absolut seeks to stimulate discussion around unconventional, visionary and alternative views of the world that we hope will be inspirational and influential among our target audience,” he says.

At the other end of the premium spectrum from Russian Standard is blended whisky High Commissioner, which has showed that a cheap-as-chips proposition can be just as important as heavyweight marketing support. With the nation still in the clutches of the credit crunch, it's no surprise to see this budget brand enjoying 55% sales growth.

Sales of Whyte & Mackay have jumped 26% to £40 million thanks to its Premier League Darts title sponsorship deal. The 15-week tournament, which Whyte & Mackay has sponsored since 2008, attracted more than 80,000 fans this year.

“The sponsorship of the league has ensured that Whyte & Mackay is not only seen by millions of viewers every week but has also been instrumental growing the brand,” says head of brands Philip

## Fastest-growing spirits brands

Position	Brand	% change
1	Russian Standard	+150%
2	High Commissioner	+55%
3	Vodkat	+43%
4	Red Square	+26%
5	Whyte & Mackay	+26%
6	Absolut Blue Vodka	+26%
7	Bombay Sapphire	+25%

Source: Nielsen, MAT to April 18, 2009



McTeer.

“This year we ramped up our Get In campaign which attracted new drinkers to the category and increased our association with the sport. From a consumer level we enjoyed unparalleled brand awareness through the UK media and on Sky Sports.”

Whyte & Mackay will continue to sponsor the tournament in 2010.

The seventh fastest-growing spirit is Bombay Sapphire, with sales up 25% to £22 million.

The Bacardi-owned brand kicked off a major summer marketing push last week to promote its new Bombay Sapphire Dusk Bar at London's Somerset House.

The campaign is part of Bacardi's strategy to target “sociable Bombay Sapphire drinkers” through social media activity, according to Tom Jeffries, Bacardi Global Brands' global digital marketing manager.

“A big focus will be around social media, such as Facebook, Flickr, Twitter and YouTube, by using content that's being created at the bar and extending the opportunities for people to get involved. This is the most co-ordinated effort we've made in social media,” he says.



# Less than vintage growth in 2009

In this year's growth brands table, cider struggled – but as Nicola Collette reports, it's not all bad

A miserable summer, no significant sporting events and the economic downturn all seemed to hit the cider category hard in this year's growth brands report.

Despite the market still looking healthy with volumes up 11% and sales value up 18%, this year only Bulmers' brand Jacques made the top 25 growth brands.

Last year Bulmers Original reached number one after its repackaging exercise spurred by Irish cider Magners, but neither brand made the top 25 in 2009.

At number 26, market leader Strongbow narrowly missed the report but sales remain buoyant – pretty impressive for a brand that's been on top for so long.



## Jacques of all the cider trade

With sales increasing 154% Jacques has seen immense growth and trails just behind number one wine brand Yellow Tail in the overall growth brands report.

Shaun Heyes, head of customer marketing for off-trade and category marketing, Scottish & Newcastle UK, says: "A fantastic liquid and innovative packaging has meant that Jacques has been able to fill a niche in the cider and LADs market, by targeting young professional women who care just as much for the look and feel of the drink as the taste."

He says the brand was launched specifically with women in mind and was developed to be a treat.

The Fruits of the Forest variant was launched in 2006, building on the Magners effect which saw a growing trend for premium cider served over ice, which in turn fuelled a demand for cider with fruit. Heyes says that S&N UK has worked hard to ensure cider is seen as a drink which can be enjoyed all year round.

"There is evidence to suggest Jacques is bringing new consumers into the LADs and cider categories. Internal data to February 15, 2009 has shown that 15% of Jacques buyers had not bought lager, cider or wine in the last 12 months and 50% of Jacques buyers had not bought cider in the last 12 months," he says.

Last summer saw the launch of the first print and outdoor campaign for the brand, which comprised a range of 48 poster ads. It also sponsored Music on a Summer Evening and Tatton Park Picnic, a series of summer open air concerts, in association with English Heritage. The sponsorship formed part of a heavy-weight campaign for the brand which included press and poster advertising and sampling activity and will continue again this year.

S&N UK's Biggest Round campaign also ran in August last year in selected grocery stores and encouraged consumers to try the company's premium cider brands.

Heyes says: "More than 269,000 trials were undertaken, with Jacques Fruits of the Forest as the most frequently sampled brand."

"As well as boosting the profile of the Jacques brand, the result of this activity had a profound impact on sales, with the Biggest Round sampling stores selling on average eight times more of the featured products."

Sampling of Jacques will be taking place at a number of big grocers' cider festivals over the summer, such as Sainsbury's cider festival, and Asda will also focus on cider this summer.



NEW FRIDGE FRIENDLY BOTTLE

# Pure taste from the heart of Somerset

Your customers will love you for it

Order Gold today on 01934 822862

Available bottled or draught

www.thatcherscider.co.uk

### Fastest-growing cider brand

Position	Brand	% change
1	Jacques	154%

Source: Nielsen, MAT to April 18, 2009