



## Johnnie Walker: Reigniting Growth

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This case was prepared by Amitava Chattopadhyay, the GlaxoSmithKline Chaired Professor of Corporate Innovation at INSEAD, as the basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation.

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On an overcast afternoon in London, Alice Avis, Global Brand Director, was thinking about a brighter future for Johnnie Walker. The whisky was a flagship brand in Diageo's portfolio, alongside major names like Guinness, J&B, Smirnoff, Baileys, Gordons, Malibu and Tanqueray, making Diageo the biggest player in the alcoholic beverage market worldwide. Avis had been grappling for months with the question of how to make the brand more relevant and aspirational, to get it growing again. Its popularity was waning and it was far from the global power brand that was expected. Radical changes were required to reignite growth. The stakes were high as, notwithstanding a recent decline in sales, Johnnie Walker was a jewel in Diageo's crown, representing almost 25% of the company's gross profits, more than J&B and Smirnoff combined.

### **Water of Life from Humble Beginnings**

The story of Johnnie Walker goes back to 1820, at a time when whisky was sold as single-malt. Since the quality was inconsistent and the taste often harsh, John Walker started to blend whiskies at his mother's grocery shop in Kilmarnock, Scotland, to deliver a consistent, higher quality. Word of his quality product travelled fast and his business blossomed, spurred on by advances in distilling techniques that made it possible to distil larger volumes. Walker's son, Alexander, inherited the company in 1857 at the age of 20, and a few years later took the first steps towards turning it into an international brand. He began blending grain and malt whiskies, patented the name "Walker's Old Highland Whisky", created the square bottle and slanting label, and opened an office in London in 1880. From there, he shipped his family's product all around the world.

The next generation of Walkers, George and Alexander II, added new whiskies to the portfolio and the names "Johnnie Walker Red Label" and "Johnnie Walker Black Label" found their place on the bottles. George and Alexander II launched the first advertising campaign in 1906. Keen to portray his grandfather in the advertising, Alexander asked a number of leading artists to come up with a suitable representation. The Striding Man was created by Tom Browne in 1908, symbolizing not only John Walker but the entrepreneurial spirit of the company. By the 1920s the business had grown into a worldwide venture in more than 120 markets.



### **Diageo**

On 12<sup>th</sup> May 1997, Grand Metropolitan and Guinness announced plans to merge, creating the world's seventh largest global food and drinks company, Diageo. The new entity owned leading food brands including Pillsbury, Häagen-Dazs and Burger King. But the real story lay with the spirits and wine brands in Diageo's portfolio: it owned the world's best-selling whisky (Johnnie Walker), gin (Gordon's), vodka (Smirnoff) and liqueur (Baileys), as well as Guinness. Profits from this part of the business were three times those of its nearest competitors, Seagrams and Allied Domecq.

A key focus for the executive board of Diageo's wines & spirits business, headed by CEO Jack Keenan with Ivan Menezes as Marketing Director, was on 'global power brands' –

building a set of key brands, extending their geographic reach, and accelerating their growth. The power brands were Johnnie Walker, Smirnoff, J&B, Baileys, Gordon's, Tanqueray and Guinness.

But one year on, the solid growth and superior profitability expected from the new powerhouse had not materialised: group sales had declined 7% to £12 billion (\$20 billion) and net profits had fallen by 4% to £1.3 billion (\$2.2 billion). Economic value added (EVA), its performance yardstick of choice, yielded profits of just £80 million (\$133 million) on a capital base of £9.1 billion (\$15.2 billion). Not surprisingly, the group's share price had only just kept pace with the stock market.

### Johnnie Walker

The years after the merger were particularly challenging for Johnnie Walker and marked a period of fundamental change in its history. In 1998, the brand's market share dropped for the first time in more than a decade, in part due to the Asian crisis and weakening performance in key European markets, but also because it was a tough time for the whisky industry as a whole.

Year	1991	1992	1993	1994	1995	1996	1997	1998
Whisky as % of Spirits	10%	10%	10%	9%	9%	8%	8%	8%
Scotch Growth	-3%	1%	4%	1%	2%	2%	0%	-5%
JW Growth	4%	4%	3%	2%	2%	1%	2%	-6%
Value Scotch as % Scotch Whisky	24%	25%	26%	26%	26%	28%	29%	29%
Standard Scotch as % Scotch Whisky	58%	58%	57%	57%	56%	54%	52%	52%
Premium Scotch as % Scotch Whisky	16%	16%	15%	16%	16%	17%	17%	16%
Super Premium Scotch as % Scotch Whisky	1%	1%	1%	1%	1%	1%	2%	2%

From the early 1990s, consumers had been developing a taste for different drinks. They bought less whisky and opted for alternatives such as wine, champagne, vodka, tequila and ready-to-drink mixes like Smirnoff Ice. As demand for other spirits rose, whisky consumers either scaled up to premium Scotch or went for value-based products. Standard Scotch lost out.<sup>1</sup>

By the mid-90s, whisky's share of spirits had fallen to 8% and its share of wine & spirits combined fell to less than 3% from more than 4%. Year after year, the 1% decline continued throughout the 90s as whisky lost its place among younger consumers of legal drinking age. By 1997, whisky sales (including Scotch, Irish, Canadian and American) totalled 178 million nine-litre cases. Scotch had a 40% share of the whisky category, or 72 million cases, down 0.2% from the previous year.

When, in December 1997, the executive board of the Wine & Spirits division appointed Alice Avis as Global Brand Director for Johnnie Walker, they tasked her to grow the brand to rival Bacardi and Smirnoff in terms of volume and make it one of the largest spirit brands in the world. The goals set for Johnnie Walker by the Diageo board included a 7% CAGR<sup>2</sup> (more than triple the predicted growth for Scotch) to 15 million cases, a 19% share of the Scotch

Top international brands	1996 Volume (M. 9l. cases)
Bacardi	20.2
Smirnoff	14.6
Ricard	7.5
Johnnie Walker Red Label	7.1
J&B	6.0
Jim Beam	5.3
Absolut	5.2
Jack Daniels	5.1
Ballantine's	5.2
Grant's	3.7
Chivas Regal	3.7
Johnnie Walker Black Label	3.5

1 The Scotch market is segmented into super premium, premium, malts, standard and low-price. The standard Scotch in the Johnnie Walker portfolio is Red Label. ( See Exhibit 3 for more details).  
2 Compound Annual Growth Rate

market (up from 11%), and the doubling of its profit contribution. Considering the prevailing market trends, those growth and profit projections seemed impossible, but Avis took on the challenge.

As a first step, she put together a Global Brand Team (GBT) of eight, which included a consumer planner with an advertising background, three marketing directors, two marketing managers and an assistant. The GBT recognised the need to reinforce Johnnie Walker Red Label's position as the number-one standard Scotch and the potential to re-establish Johnnie Walker Black Label as the leading premium Scotch. They also wanted to create a platform for growth of the brand franchise, including the acceleration of Johnnie Walker Super Deluxe and the Pure Malt brands (see Exhibit 1 for the JW brand portfolio). Avis' first step was to get a better handle on what Johnnie Walker stood for, and she launched a comprehensive brand review.

## Results of the Review

### Brand Performance

The Interbrand Powerbrand study found that Johnnie Walker was the "strongest" spirit brand in the world, with a history of awards for quality and innovation. It was a potential engine for value growth in Diageo, as the company's leading brand in terms of gross profits. With 68% of total Johnnie Walker volume, Red Label delivered 45% of gross profits, while with 30% of volume Black Label represented 46% of profits. The remaining profit came from Johnnie Walker Super Deluxe (Gold and Blue Label) and Johnnie Walker Pure Malt.

Although it was still the biggest selling Scotch in the world, volume decline in 1998 led to a decline in contribution after advertising and promotion (A&P) by more than £3 million, year on year. Compared to Bacardi, Smirnoff and other stars such as Absolut vodka (with 8% growth), Johnnie Walker's average growth rate of 1.5%<sup>3</sup> left room for improvement.

### Marketplace and Consumers

The Johnnie Walker team categorized its markets as mature, developing or emerging. Emerging markets included Brazil and Thailand, where trade and distribution were underdeveloped. Developing markets included Spain and Portugal, where the cost of doing business was rising along with retail power (Exhibit 2 lists markets and countries). The brand review revealed that Johnnie Walker's position was being eroded in both emerging and developing markets due to competition from new spirits, beer and wine, as well as the growing cost of doing business as a result of duty increases and counterfeiting. Intense competition and a decline in alcohol consumption contributed to the decline in key mature markets.

Given the aforementioned changes in consumer tastes, Johnnie Walker was dependent on an aging consumer base. Moreover, consumers were failing to perceive the difference between Scotch brands. The value of standard and deluxe blended whiskies was being undermined by growth in super-premium and malts, which had blurred the differentiation in the standard and

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3 Average of 1-2% 1994-97 and then -6% in 1998.

deluxe whisky categories. This perpetuated a notion that “Scotch is Scotch” – where price counted for more than brand. Since its portfolio was reliant on standard and deluxe whiskies, Johnnie Walker had suffered, and its problems were exacerbated by aggressive pricing and promotions.

The review also revealed that a lack of market prioritisation, relevant differentiation, and clear focus were responsible for resources being overstretched and costs high. First, although 20 markets accounted for 67% of Red Label and 70% of Black Label volumes, there was no clear market prioritization.

Second, until early 1998, Johnnie Walker was narrowly defined by product credentials such as the world’s most prize-winning Scotch. Advertising referred to its full flavour, rich colour and taste, or its challenging nature that rewarded men of substance, or its rugged highland origins. It was shackled by conventional images such as glossy photos of bottles and glasses of Scotch being poured, Scottish landscapes, and middle-aged men with young women on their arms.

Third, Johnnie Walker was marketed differently from country to country (see Exhibits 3 and 4). This had led to underinvestment in brand building on the one hand, and a lack of relevance to consumers and their aspirations on the other. Further, the absence of an overall on-trade strategy resulted in an inconsistent presence and impact at the point of purchase.

## Competition

Chivas Regal was (and is) the main competitor for Johnnie Walker in the premium Scotch category. In the standard category, Johnnie Walker faced competition from Ballantine’s, Dewar’s and J&B, among others.<sup>4</sup> With an 8% share of the Scotch market, Ballantine’s had a strong position in Europe, although it was somewhat reliant on France and Spain. It tended to drive volumes with promotional pricing and enjoyed high brand awareness despite a lack of clear positioning. With a 6% market share, Dewar’s had a loyal but aging US consumer base, and 66% of its volume derived from the US and Spain.

## Decentralised Organisation

In addition to the category and competitive pressures, a key challenge was the decentralised organization that underpinned the brand. Prior to the merger, brand management was largely decentralised, with a small Johnnie Walker global brand team responsible for positioning, packaging and product innovation, co-ordinating advertising and sharing best practice. With a limited central budget, it had neither the funds nor the support to drive a global strategy, positioning or ad campaigns, and little influence over the allocation of marketing spend. Most major markets (US, Thailand, Japan, Brazil/LatAm) decided their own positioning, marketing spend (for Red Label and Black Label) and advertising campaigns. The GBT shared its work with the smaller markets and helped develop positioning and advertising for clusters of smaller developing markets.

With a focus on creating global power brands, the role of the global brand team was radically changed by Jack Keenan and Ivan Menezes, giving it control over and a budget for

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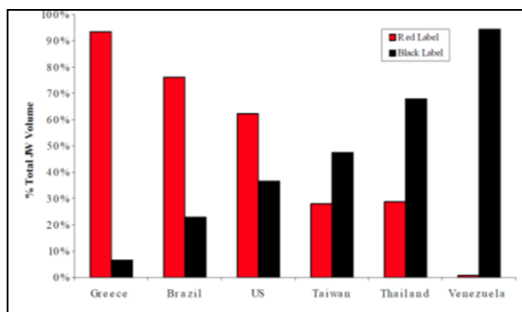
4 J&B was a competitor to Johnnie Walker in some markets but was a Diageo brand, hence was targeted at different markets and a different demographic.

developing brand strategy, positioning, product innovation, advertising and global market research. The local teams had budgets for media spend, promotions and on-trade activity. While the GBT had no control over A&P investments in any given market, it could advise on the optimal level of spend and which markets to prioritize. However, in the early post-merger period (1998-99), there was little appetite to give up control over marketing to the GBT. The major markets were not convinced of the benefit of pooling insights and A&P investments or of a global brand strategy, which they saw as a step towards losing control of their marketing budgets and ultimately a diminished role.

### Brand Fragmentation

Localization of brand positioning and advertising campaigns had led to brand fragmentation. At the sub-brand level, each variant (Red, Black, Blue) was positioned and marketed separately. Between 1997 and 1999 there were over 27 different campaigns for Red Label and Black Label. In Greece, Brazil and the US, Johnnie Walker was known for its standard variant, Red Label, whereas the premium Black Label was dominant in Taiwan, Thailand and Venezuela. This dissipated approach to investment had made Johnnie Walker a disparate collection of local/regional brands.

### Decisions Based on the Review



Source: IPA Effectiveness Award 2008

It was clear from the brand review that small incremental changes to advertising or the cost base were not going to deliver the 5-year stretch goals. Johnnie Walker needed to radically transform the consumer's relationship with the brand and category to drive growth. With this in mind, Alice Avis and the GBT agreed on a five-year plan which aimed to accelerate top-line growth in major spirits markets and reverse any decline by actively recruiting new drinkers and increasing drinking

occasions.

The plan refocused global A&P investment on 'must win' markets with the greatest growth opportunities. In the US (the number-one spirits market in the world) the focus was on recruiting a new generation of consumers to Johnnie Walker Black Label, while cutting investment in Red Label. In Brazil, which had a large and growing young population, the aim was to increase investment in promoting Red Label, with the goal of becoming the number-one spirit brand. In smaller emerging markets, the plan was to seed Johnnie Walker Black Label and Blue Label but limit above-the-line support.

Leo Burnett, the existing agency for Johnnie Walker, and BBH, a boutique agency in London in which Leo Burnett had recently acquired a majority stake, were asked to pitch for a new advertising campaign to reignite growth and build the brand (see advertising brief in Exhibit 7 and positioning in Exhibit 8).

With the imperative to recruit new customers, Johnnie Walker rolled out a 'Mentor' programme (trade brand education) to recruit new drinkers by establishing Johnnie Walker's superior product quality credentials. This involved hosting by-invitation events at bars

popular with young upwardly mobile men. The host led participants through a brief history of the brand, followed by a tasting of various single malts and grain whiskies that went in to the blends. While the programme was expensive, data revealed that attendees on average spoke about their experience and helped recruit five additional drinkers.

The five-year plan also focused on opportunities for maximising cost efficiencies along the value chain by rethinking the number of SKUs and reducing distribution costs. For example, in an effort to reduce counterfeiting, a packaging plan re-engineered the bottle tops, and was expected to deliver £2.6 million in savings over five years on Black Label.

However, these changes were not enough to achieve the growth targets set by the executive board. Clearly, Avis and the GBT needed to come up with a breakthrough initiative.

### **The Next Step**

To understand what makes a brand a global power brand, Avis and the GBT reviewed brands they admired and wished to emulate, such as Apple, Coca Cola, and Nike. What made these brands so strong and pervasive and their products so meaningful to consumers? They perused books and opinion pieces on the topic of global power brands, looking for insights to apply to Johnnie Walker, and identified three elements common to global power brands.

The first was leadership, i.e., “a brand’s ability to lead and exceed expectations, to take people into new territory – new areas of product, service and even social philosophy at the right time. It also implied a certain restlessness about self-renewal.”<sup>5</sup> An Interbrand valuation study of some 2,500 brands worldwide suggested this was the most important factor in generating long-term value, as exemplified by Chris MacRae, an influential brand consultant: “Great brands espouse inner confidence which usually breeds these peculiar virtues: truth to one’s origins, leadership in the face of a contemporary public, and determination never to be out-manoeuvred by a competitor.”<sup>6</sup>

A second factor that characterized global power brands was focus. Nike’s Phil Knight had observed that: “Without focus the whole brand is at risk. ... [U]ltimately we determined that we wanted Nike to be the world’s best sports and fitness company. ... [O]nce you say that, you have focus and you can automatically rule out certain options. Without focus you end up doing loafers and wing tips and sponsoring the next Rolling Stones world tour.”<sup>7</sup>

A third factor was a clear understanding of what the brand stood for, and how to appeal to consumers on an emotional and personal level, as exemplified by Jean-Marie Dru: “Apple opposes; IBM solves; Nike exhorts; Virgin enlightens; Sony dreams; Benetton protests.”<sup>8</sup>

### **Positioning Johnnie Walker**

Armed with this knowledge, the GBT went back to the fundamental features of the brand – its reputation as a best-seller, the distinctive square bottle, and perhaps most important, a strong

5 Interbrand Powerbrand Study

6 MacRae, Chris. *World Class Brands*. Addison-Wesley Publishing Company, 1991.

7 Knight, Phil, and Geraldine E. Willigan. “High-Performance Marketing: An Interview with Nike’s Phil Knight.” *Harvard Business Review*, July 1, 1992.

8 Dru, Jean-Marie. *Beyond Disruption: Changing the Rules in the Marketplace*. Wiley, 1996.

heritage (see Exhibit 8). With a brand steeped in history, the GBT knew that the past should play an important role (see Exhibit 9). Consumer research showed that Johnnie Walker was associated in consumers' minds with a set of brand values – substance, excellence, masculinity – that were relevant to men at different stages in their lives.

A study by Research International about the changing role of men was particularly significant. Seeking to understand lifestyle trends, expectations, concerns, motivations, values and aspirations, the study looked at how men saw their role in life, as well as how they were portrayed. Conducted between September and December 1997, it covered 46 countries across Europe, North and South America, Asia Pacific, Africa and the Middle East. Results came from interviews with men from urban areas, middle and upper-middle socioeconomic classes, and a broad age range. Professionals from different fields were interviewed and several female groups were also solicited. Cutting across countries and cultures, the study found that men went through three life stages, each characterised by different needs (see table below and Exhibit 10).

Life Stage	1: Aged 20–22	2: Aged 26-32	3: Aged 37-43
Characteristics	Exploration/self-discovery	Assertion/achievement	Maturity/responsibility
Professional	Studying/part-time job	Full-time/career	Established profession
Interaction	Sociable	Sociable	Less sociable
Family status	Thinking about the future	Single/recently married	Marriage/children
Peer groups	Heavy influence	Less dependent	Family takes greater importance

Age did not always correspond to life stage. Men who extended the first or second life stages could be classified as “older boys”; those who brought forward the third life stage could be dubbed “younger men”. Marriage or cohabitation was a powerful influence on life stage: married men with children tended to move into the third stage sooner, while those who remained single stayed longer in the first or second stage. Those who become single again after a divorce or separation might regress to the outlook and behaviour of an earlier stage.

The study showed that masculinity was about archetypes – the provider, the leader, the protector, etc. – as well as physical and biological differences. The archetypes had not changed but their expression had. In the past, masculinity was equated with ideas of “absolute authority”, the “sole provider” or the “right to control women’s behaviour”. But with the changing role of women – as their financial power, status and authority increased – gender roles and ideas about equality were evolving and masculinity was expressed differently. In addition to the traditional characteristics of adventure, achievement and responsibility, it incorporated “softer values such as friendship, vulnerability and consideration”, especially in North America, Western Europe and Australia. The study indicated that in future men would have a new role and identity with more humane characteristics.

**Key Decisions**

It was clear that Johnnie Walker needed to own the emotional heartland of Scotch – masculine success. The problem was that traditional expressions of masculine success (see Exhibit 4) differed by market, and the brand was seen as undifferentiated and lacking relevancy. What insights could be leveraged from the masculinity study to create a new, sustainable brand position?



Avis wondered if it would be better to have a global positioning for Johnnie Walker across product variants (Red Label, Black Label and Super Deluxe Malts) and markets (i.e., market-specific versus global) instead of today's fragmented positioning. Which elements of the long-standing associations linked to Johnnie Walker could be leveraged to build the new positioning? Could its historic associations be melded together with the insights from the masculinity study to create a focused, differentiated, broadly implementable positioning platform?

She recognized that to change the way the brand was portrayed and perceived, team leaders needed to change their "ways of thinking and behaviour beyond the spirits straitjacket", as well to resist the desire to say "It won't work here – our culture, market conditions etc. are different." How, she wondered, could the GBT could connect with and influence the various markets. What should the structure of global brand management be for Johnnie Walker? What should the various entities' roles and responsibilities be and how should they relate to each other? Finally, how could she formalize the relationship between the new GBT and the in-market teams and enshrine it within Diageo?

The need for answers was urgent. The potential of the merger between Guinness and Grand Metropolitan had not yet materialized. The stretch targets given to the Johnnie Walker brand team made it clear that Keenan, Menezes, and the Wine & Spirits executive board expected Johnnie Walker to play a key role in delivering on its promise for Diageo.

**Exhibit 1****Johnnie Walker Brand Portfolio**

**Johnnie Walker Red Label**, with its distinctive and exuberant flavour, was created to be drunk as a long drink — a favourite choice for celebrating every day. It was originally known as Extra Special Old Highland Whisky, and was introduced as Red Label in 1909 to suit a new generation of whisky drinkers. Red Label is a powerful combination of spicy, smoky malts, such as Talisker, and lingering, lighter grains. Red Label is in the standard Scotch category.



**Johnnie Walker Black Label** has a deep and complex flavour which is also an unquestionable mark of power and refinement. It is a luxury blend and a luxury brand, with a completely individual personality. As many as 40 whiskies, each aged 12 years or more, make up this satisfyingly complex blend. Black Label is in the premium Scotch category.

**Johnnie Walker Gold Label** is exceptionally smooth, creamy and delicate — the ultimate whisky pleasure. A skilful fusion of rare aged whiskies inspired by the notes originally kept by Sir Alexander Walker, and crafted from only a small number of Scotland's most renowned distilleries, each matured for a minimum of 18 years. Gold Label is in the super-premium Scotch category.

**Johnnie Walker Blue Label** is our rarest blend. It's challenging and an acquired taste, but like the finest rewards in life, is worth it. Created from the rarest and most expensive whiskies in the world, Blue Label has the authentic character and flavour of a traditional nineteenth-century blend, just like those that John Walker and his son Alexander developed for their most valued

customers. Each bottle is individually numbered. Blue Label is in the malt category.

**Johnnie Walker Green Label** (previously known as Johnnie Walker Pure Malt) is sold in just a limited number of countries and has been named "Best Blended Malt" by international judges. It is blended only from single malts, which include its four signature malts Talisker, Cragganmore, Linkwood and Caol Ila. Green Label is in the malt category.

Source: Diageo

**Exhibit 2**

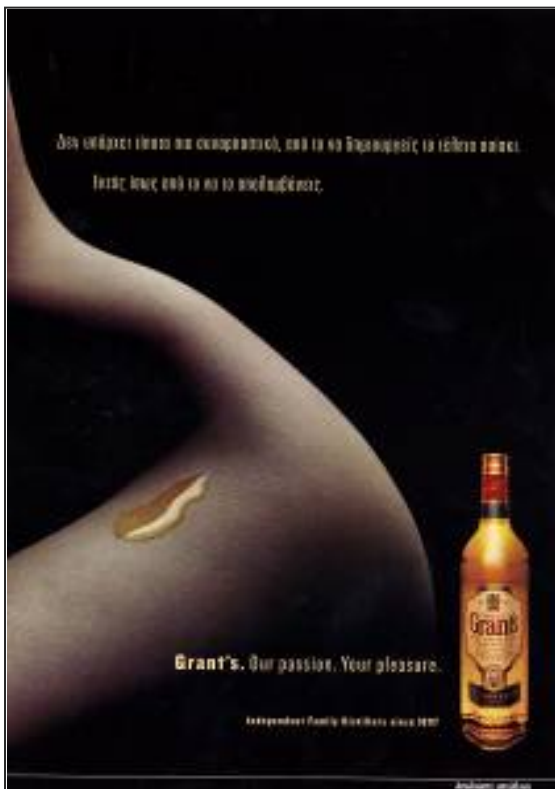
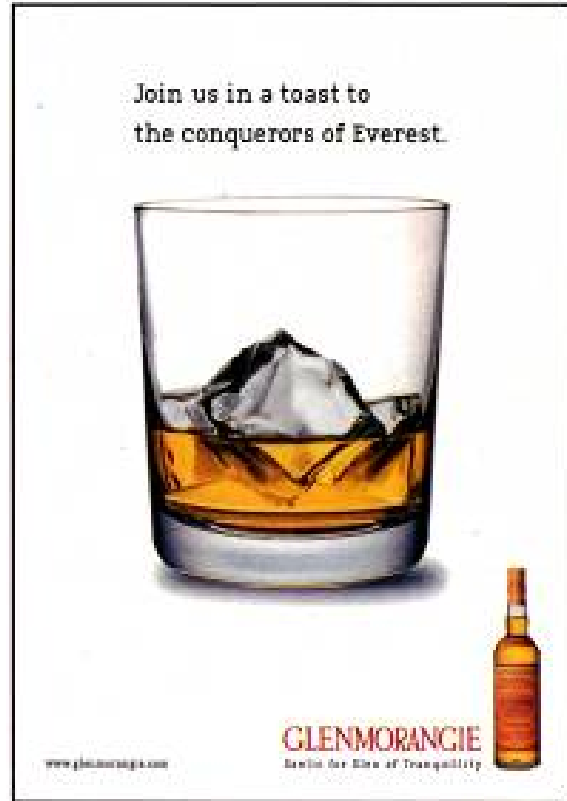
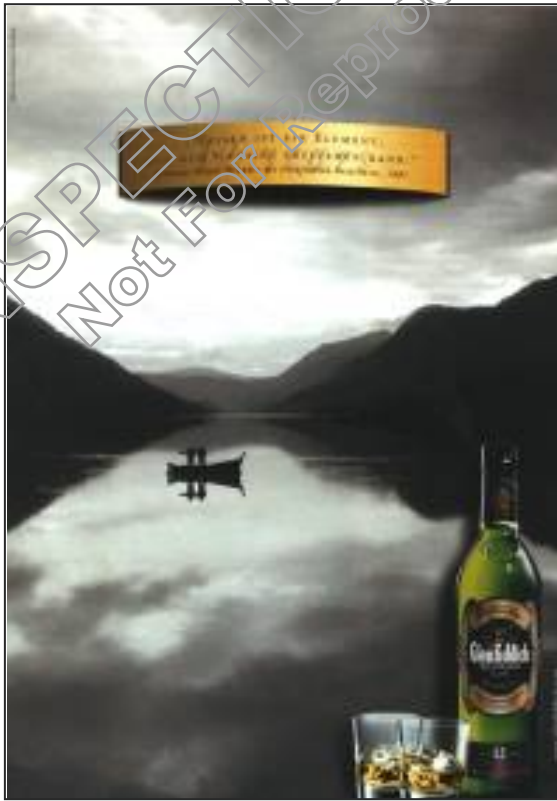
*Johnnie Walker Market Classification 1997–1998*

<b>Classification</b>	<b>Mature</b>	<b>Developing</b>	<b>Emerging</b>
<b>Volume contribution</b>	50%	30%	20%
<b>Markets</b>	US, GB, France, Japan, Italy, Austria, Germany	Spain, Greece, Portugal, South Korea, Czech Republic, Venezuela, Mexico	Brazil, Colombia, Thailand, Turkey, Taiwan, Poland, Indonesia, Russia, Chile
<b>Character</b>	<ul style="list-style-type: none"> <li>• Declining, stagnant</li> <li>• Brand proliferation</li> <li>• Price sensitive</li> <li>• Strong retail power</li> <li>• High investment required for advertising and promotional activity</li> <li>• Off-trade* skew</li> </ul>	<ul style="list-style-type: none"> <li>• Growing yet unstable economies</li> <li>• Increased competition</li> <li>• Increasing cost of doing business</li> <li>• Growing retailer power</li> </ul>	<ul style="list-style-type: none"> <li>• Volatile economies</li> <li>• Underdeveloped trade and distribution</li> <li>• Grey channel issues</li> </ul>

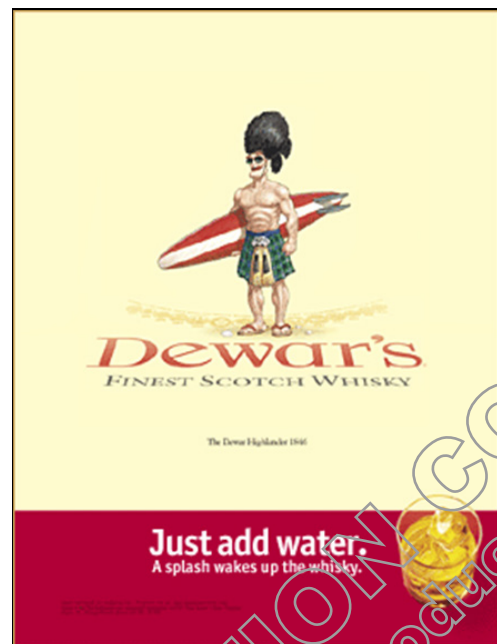
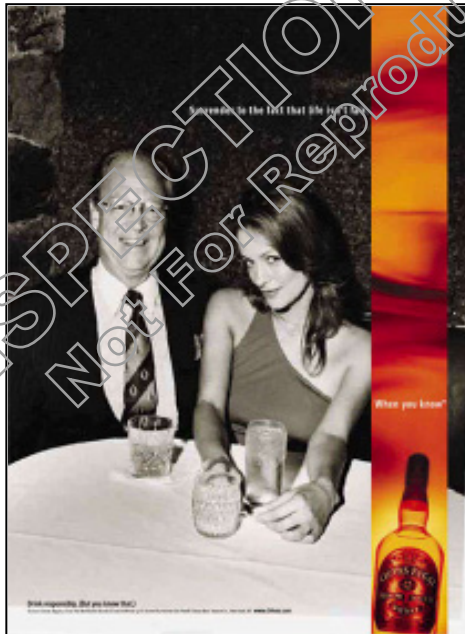
\* Off-trade is the sale of alcoholic beverages for consumption in places other than licensed premises.

Exhibit 3

Whisky Advertising from the 1990s



**Exhibit 3 (continued)**  
*Whisky Advertising from the 1990s*



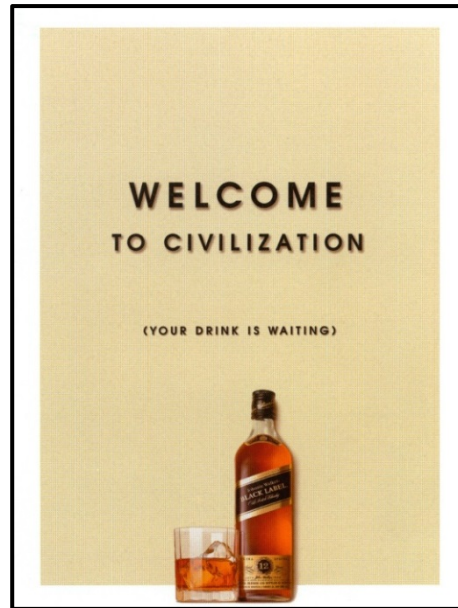
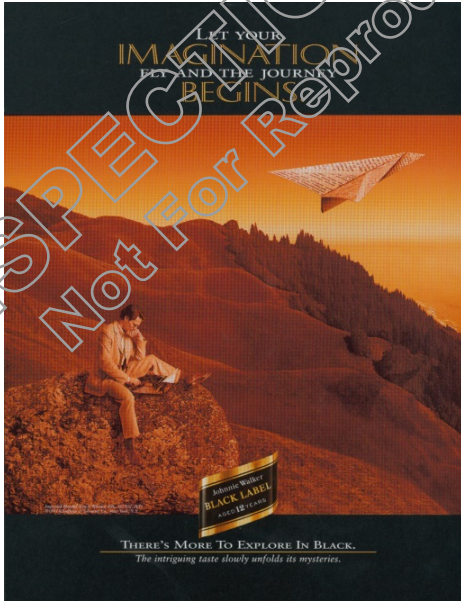
**Exhibit 3 (continued)**  
*Whisky Advertising from the 1990s*



**Exhibit 4**

*Johnnie Walker Advertising from the 1990s*

**USA**



**Thailand**



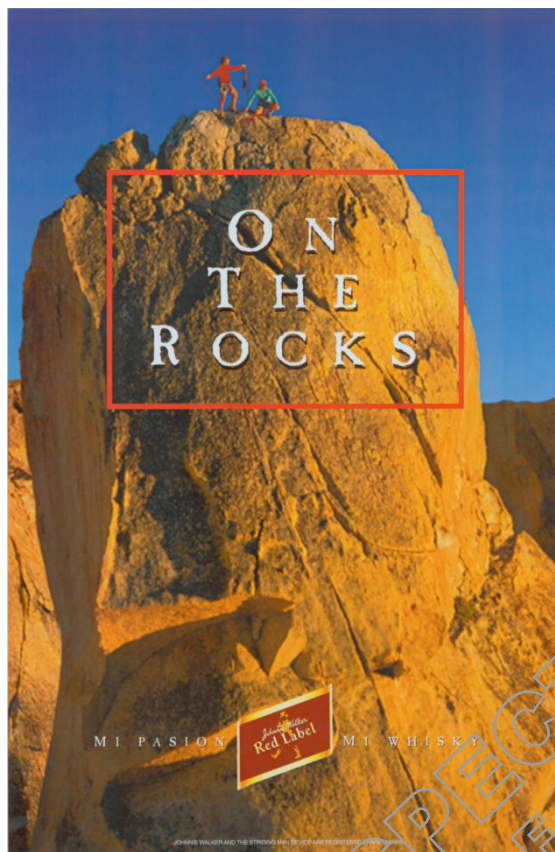
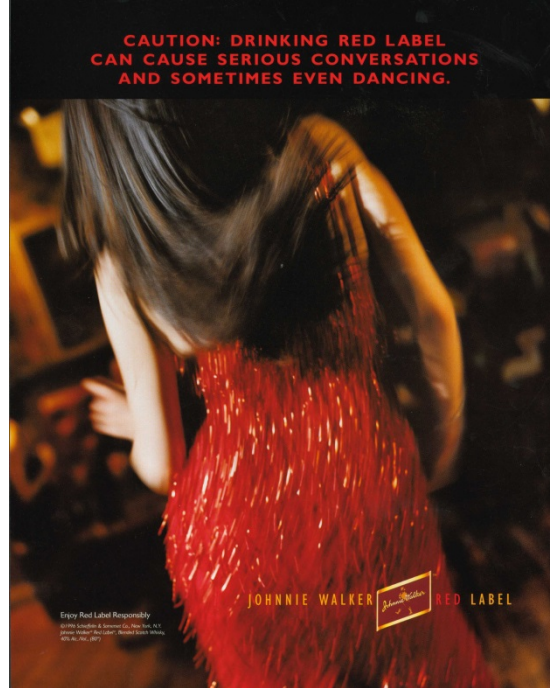
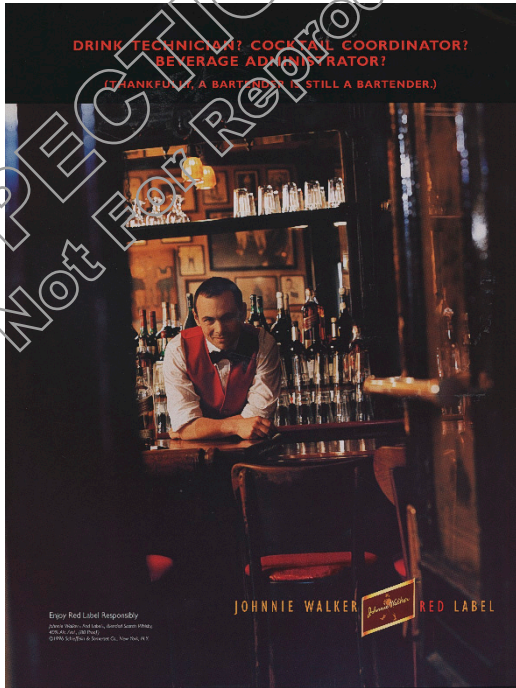
**Brazil**



**Exhibit 4 (continued)**

*Johnnie Walker Advertising from the 1990s*

**USA**





**Exhibit 4 (continued)**

*Johnnie Walker Advertising from the 1990s*

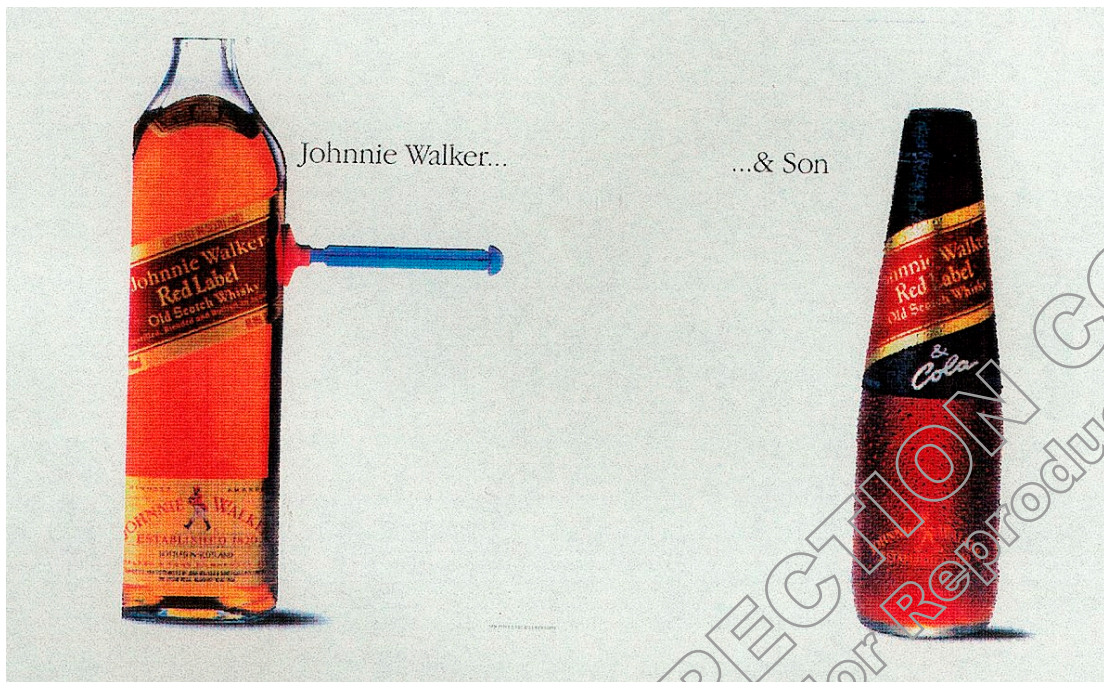
**Thailand**



**Russia**



**Australia**



**Exhibit 5**  
*Competitive Volume 1996–1997*

<b>Brand Name</b>	<b>Vol. 1996<sup>1</sup></b>	<b>Vol. 1997</b>
<b>Johnnie Walker Total</b>	<b>10,829.48</b>	<b>10,993.98</b>
<b>Johnnie Walker Red</b>	<b>7,111.01</b>	<b>7,287.11</b>
<b>Johnnie Walker Black</b>	<b>3,514.84</b>	<b>3,488.64</b>
<b>Jack Daniels</b>	<b>5,130.55</b>	<b>5,391.87</b>
<b>Ballantine's</b>	<b>5,184.15</b>	<b>5,158.26</b>
<b>J&amp;B</b>	<b>6,030.68</b>	<b>6,199.72</b>
<b>Jim Beam</b>	<b>5,260.47</b>	<b>5,283.70</b>
<b>Grant's Scotch</b>	<b>3,687.41</b>	<b>3,824.56</b>
<b>Chivas Regal</b>	<b>3,674.28</b>	<b>3,503.06</b>
<b>Richard Wild Irish Rose</b>	<b>3,025.00</b>	<b>2,900.00</b>

<sup>1</sup> In thousands of 9-litre cases.

Source: IWSR (2006)

**Exhibit 6**  
*Johnnie Walker Fundamentals*

<b>Heritage</b>	<b>Quality</b>	<b>Global</b>	<b>Iconic</b>
<p>“Born in 1820 and still going strong”</p> <p>Created by family passion ... Mission “to make our whisky of such quality that nothing in the market shall come before it”</p> <p>First whisky sold as a blend to provide a great and consistent taste</p> <p>Same ingredients as when first made</p> <p>Born in Kilmarnock, still rooted in Kilmarnock</p>	<p>Identified in blind taste tests as the definitive whisky</p> <p>Experts’ choice</p> <p>Robust, fiery, challenging taste — a depth of flavour</p> <p>Blend of 35 whiskies from 6 regions of Scotland and her islands</p> <p>Over 100 years of blending experience in every bottle</p>	<p>In 120 markets before Coke left America — the world’s first global brand</p> <p>Walker family ≈ whisky evangelists converting many countries</p> <p>World’s most popular whisky, now in over 200 countries</p>	<p>Square bottle (1870)</p> <p>Slanting label</p> <p>Striding man</p> <p>“J. Walker” signature</p> <p>First-name terms: “My Johnnie”</p> <p>Red Label</p> <p>“Born in 1820, still going strong”</p> <p>Golf</p>

**Exhibit 7*****Creative Brief for Johnnie Walker Red Label (JWRL) and Black Label (JWBL)*****The role of advertising: what do we want people to do as a result of seeing this advertising?**

- View Johnnie Walker as the only brand they would consider when drinking whisky
- Choose Johnnie Walker over premium Vodka brands (Absolut)

**How do we believe advertising will work to achieve this?**

- Positioning Johnnie Walker as the best - the category defining Scotch
- Building Johnnie Walker into an iconic brand- not just an iconic drinks brand
- Debunking the idea that Scotch is for traditional, pompous businessmen; 'my Dad's drink'.

**Who are we talking to?**

JWRL: 25-30 year-old men. Probably be working and in a relationship. Drink Scotch when bonding with male friends. Use it as a signal to themselves and their friends of some success in life and drinking it is an opportunity to reflect on what they have achieved so far. May view Scotch as a bit boring, either an older man's or businessman's drink. Will be aware of JWRL and either drink it out of force of habit or drink something that is younger such as J&B or a trendier vodka brand.

JWBL: 30-35 year-old men. Already done loads with their life and believe there's plenty more to come both emotionally and materially. They are achievers. Charismatic and intelligent but not flashy or full of themselves. Confident enough to not have to impress and can laugh at themselves. Enjoy their own company and that of friends; at both times, drink JWBL to mark the 'occasion'.

**What is the single most important thing advertising should convey?**

.. that Johnnie Walker inspires personal progress

**Why should they believe it?**

- Is the global No 1, definitive Scotch
- Recognised symbol of masculine success
- Striding Man, symbol of progress

**What practical considerations are there?**

- Need a simple big idea that will work across all markets (70+) and all media. Must work in print only markets. Ability to leverage across all consumer touch points important, i.e., on trade, retail.
- It should break the norms of Scotch advertising. No James Bond characters = man wins girl; luxury lifestyle imagery = social, business status; Scottish history lessons; talking down to people
- Consider separate executions for JWRL and JWBL to resonate with different target consumer
- Sense of modernity should come not just from what we say but *how* we say it, e.g. sense of humour, irreverence, simple styling, media mix.

**Exhibit 8**

*Johnnie Walker Positioning in 1999*

**Johnnie Walker Red Label**

- Core brand values: Passionate, masculine, progression
- Brand proposition: Red Label drinkers relish life's challenges

Consumer group: Life stage 2 (aged 25 to 34), making confident choices, motivated to make the most of life, emerging sense of shaping the future, mainstream and upmarket

**Johnnie Walker Black Label**

- Core brand values: Discerning, masculine, substance
- Brand proposition: Black Label, the substantial Scotch, for the substantial man
- Consumer group: Life stage 3 (aged 35 and older), successful in career and personal lives, mature, responsible, strong sense of honesty and personal integrity allowing them the freedom to make choices, seen as accomplished.

**Exhibit 9**  
*History of Johnnie Walker Advertising*

**From the days of the primitive velocipede, the slow, careful methods of producing **JOHNNIE WALKER** have never been altered**

Everything about Johnnie Walker comes so slowly today as it did in the early days of the sale. The experience of many years has taught us the better way of obtaining superiority from the consistency of the highest quality of selected cereals—especially prepared by a secret method—and the slow process of maturing by age alone.

This experience, with thirty years of unbroken family management, and the largest aging reserve of pure Malt Scotch Whisky in the world, makes possible the Johnnie Walker guarantee shown alongside.

**JOHNNIE WALKER "White Label"** is guaranteed pure 4 years old.  
**JOHNNIE WALKER "Red Label"** is guaranteed pure 10 years old.  
**JOHNNIE WALKER "Black Label"** is guaranteed pure 12 years old.

Every bottle bears the label—  
 JOHN WALKER & SONS, LTD.,  
 DISTILLERS, 101, NASSAU ST., LONDON, E.C. 4, ENGLAND.

PUNCH, OR THE LONDON CHARIVARI.—August 11, 1892.

Since 1820—  
2611 going strong.

INSPECTOR: "We should like to christen it after you."  
 JOHNNIE WALKER: "How's that?"  
 INSPECTOR: "Why, because it cannot be improved!"

JOHN WALKER & SONS, LTD., SCOTCH WHISKY DISTILLERS, KILMARNOCK.

From George the Third  
To George the Fifth  
Our Scotch parts long  
Have run. Still going strong.

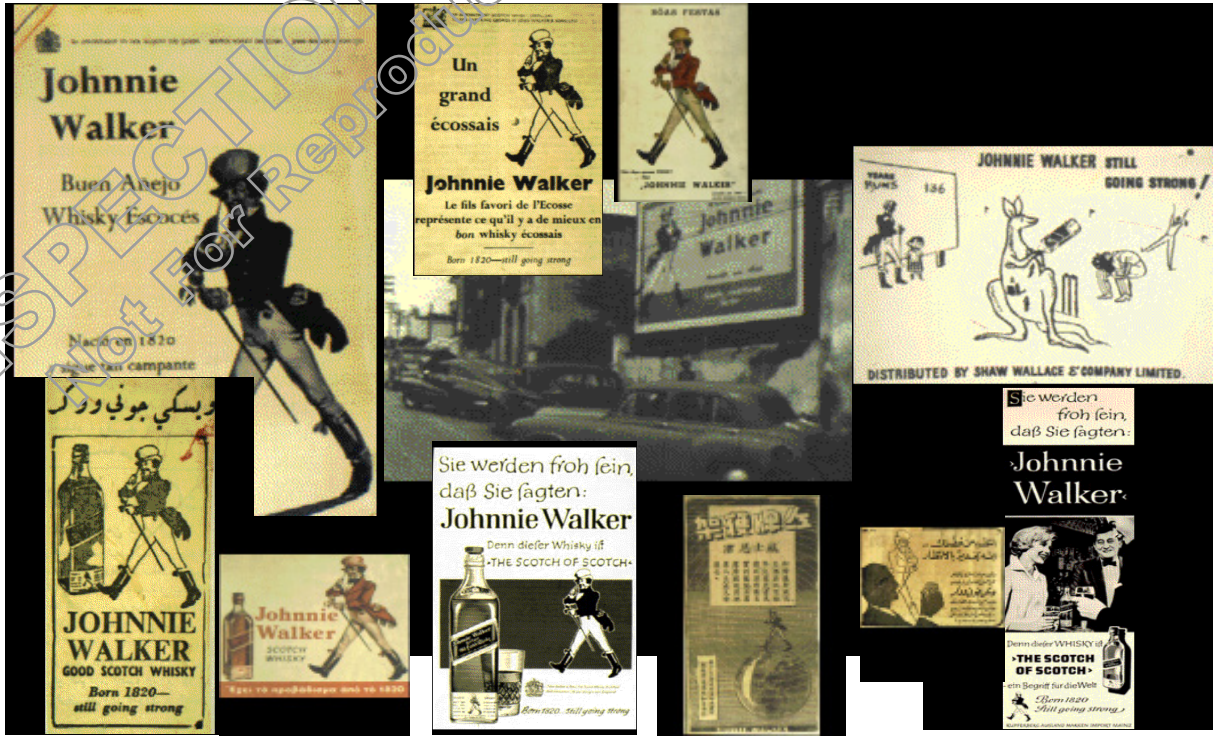
WHOLESALE TRADES TO BE HAD OF BY  
 JOHNNIE WALKER: "This is the finest Scotch Whisky that has ever been bottled here on this beach."  
 TOURIST: "One for every year of your existence!"

**Guaranteed same quality all over the world.**

JOHN WALKER & SONS, LTD., SCOTCH WHISKY DISTILLERS, KILMARNOCK, SCOTLAND.



**Exhibit 9 (continued)**  
*History of Johnnie Walker Advertising*





## Exhibit 10

### Global Masculinity Study Findings<sup>9</sup>

#### LIFE STAGES

##### Life Stage 1 (20–22)

The first life stage is characterised by searching for identity, moving towards independence and laying down the foundations for a future career through education. It is also the time when fun and socialising are at their peak and male bonding is intense.

Most men in the first life stage are still studying, with a university or college education becoming the norm amongst middle-class men worldwide. There is a global concern with educational success as this is deemed to have a major influence on life chances. There is anxiety about work prospects on graduation. Most of the youngest men are still dependent on their parents, living at home and relying on financial support. If they do work it is usually only part time, and if they live away from home it is most likely to be to attend college or university.

There is worldwide interest in sports, especially football and basketball but also tennis, swimming, cycling and skiing. Daredevil activities such as mountain climbing, hang-gliding and canoeing also appeal at this life stage. Most activities are shared with friends and have strong elements of play and competition. They are also a way of releasing the stress commonly experienced as a result of intense pressure to succeed academically.

The globalisation of culture can be seen in the worldwide appeal to the young of pubs, bars, cinema, shopping malls and fast food restaurants. International fast food restaurant brands such as McDonald's, Pizza Hut and Hard Rock Cafe are now familiar to young men worldwide. Many hobbies also have universal appeal, including watching TV, travelling, photography, drawing and painting.

##### Life Stage 2 (26–32)

By this time men have started to seek a more established life and are making commitments to careers and relationships. Most men achieve independence from parents at this stage, and there is a universal quest for a partner. Success becomes a key concern as men seek to establish themselves materially and win recognition from others. There is a universal desire to buy a house and car, and most acquire these, or are on the way to doing so, during the second life stage.

The search for success, and the consequent devotion of time and effort to careers, means that, for most men, work takes up an enormous amount of their time and energy, and there is less time available for hobbies and activities. Leisure time is now more focused on the girlfriend or wife and young family.

##### Life Stage 3 (37–43)

The majority have now been married for a number of years and become increasingly home-centred during this age. There is a desire for security and stability, and the achievement of these goals is often equated with financial success. By the third life stage, most men have settled down in one career after a period of experimentation and change. Anxiety and stress are often reported in relation to work. Men are concerned about future prospects and fear that younger, better-skilled colleagues may overtake them.

For most men the time available for leisure activities has decreased even more by the third life stage due to the demands of the family, and there is increasing compression of leisure activities into the weekend. The worldwide trend towards greater urbanisation, with longer journeys to work and traffic jams, means that several hours a day is often used in commuting. Time not spent at work is mainly

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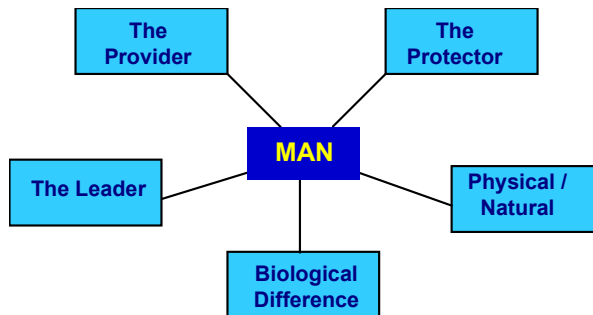
9 Abstracted from the Global Masculinity Study, Research International (1997)

passed in the company of wife and children; the family is now of key importance for the man's sense of identity and happiness.

There is a tendency for men to develop hobbies at the third life stage; these include gardening, DIY, painting and collecting. Sometimes there is a long-held dream such as building a boat or restoring a car, but time constraints may mean that the man has to wait until retirement for its fulfilment.

**MASCULINITY AND ROLE**

There have been major changes in the expression of masculine identity and in men's roles. Men's associations with masculinity show that the sense of masculinity comprises clearly defined and enduring elements. These elements may be seen as constituting the masculine archetype.



The concept of masculinity is extremely important to men worldwide and provides the cornerstone of individual identity. The changes have occurred in the expression of the archetype rather than in the archetype itself.

**Traditional Masculinity**

Traditional masculinity defined the man as the provider and protector of the family with absolute authority. It emphasised physical strength, power and dominance while demanding repression of the emotional side of the character. Emotions were seen as the province of women, who were perceived not only as more emotional but also as more irrational, less intelligent and biologically and socially inferior. In this context, emotional expression threatened and contradicted the notion of masculinity.

**Behaviour**  
authoritarianism  
rigid role division  
physical strength  
energy  
individualism  
competitiveness  
risk taking  
aggression  
rationality



**Emotion**  
inner discipline  
self-confidence  
control  
hiding emotions  
hiding caring  
hiding tenderness

**Masculinity Today**

Men today still have a very strong sense of the masculine archetype, and their sense of masculinity is rooted in this. The theme of leadership continues to be expressed through emphasis on achievement at work and the themes of being a provider and protector through emphasis on responsibility for the

**Behaviour**  
sharing power  
sharing roles



**Emotion**  
self-expression  
showing feelings

family. The awareness of biological and physical masculinity is expressed through identification with symbols of sporting and sexual activity. There is, however, more compromise and sharing in the way the archetype is expressed

For today’s man, softer, “more human” values such as friendship, vulnerability, empathy and consideration are now being incorporated into the notion of masculinity.

The inclusion of these values does not, however, imply a weakening of the male archetype, and men at all life stages continue to value the stereotypical traits of masculinity. A reduction in expression of the archetypal male qualities is associated with criticism and contempt.

Certain values can be defined as universal in nature in that they are recognised as being the most important values by men irrespective of nationality.

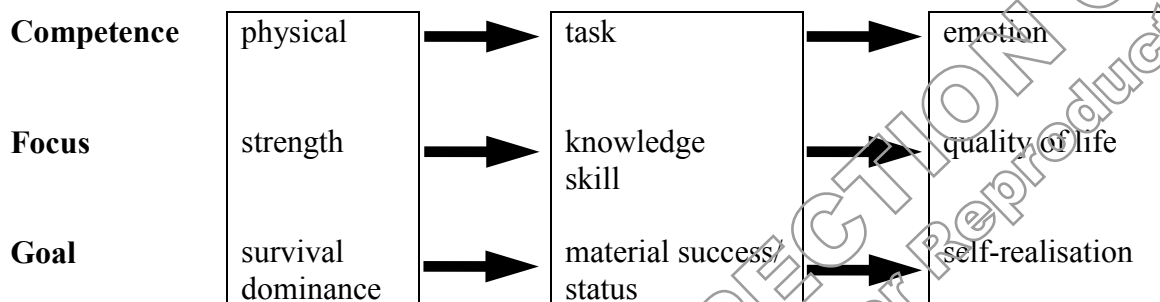
These universal values can be categorised as rational or emotional:

<b>Rational Values</b>	<b>Emotional Values</b>
success/ achievement	love
responsibility	friendship
independence	family
security	freedom
	fun
	honesty

Rational values are those that epitomise the more tough-minded side of masculinity and focus on the qualities a man needs to succeed in the work environment and as financial provider. In contrast, the emotional values characterise a man’s needs in relationships with others. It is interesting to note that “emotional” as well as rational values are of universal importance to men, though they are likely to be suppressed to a greater extent in more traditional societies. Using universal values in communication provides a strong underpinning for communication to men in general. Men are progressing from a definition of success based on physical superiority to one based on task competence, and one that encompasses emotional fulfilment and happiness. This progression can be seen as having a cumulative nature, with men retaining the previous means of expressing achievement but the balance of importance shifting. Today’s man, in valuing emotional success, still sees task competence as important but not at the expense of his own identity. The notion of physical competence is less important overall but is still expressed through sport and “adventure” hobbies.

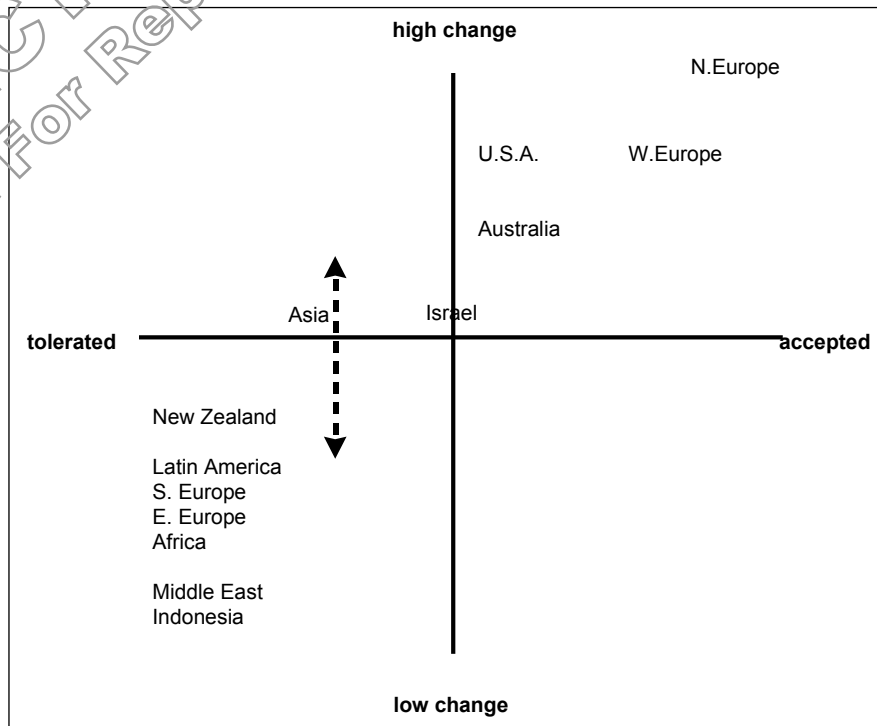
Understanding the emotional rewards of particular values is particularly useful as this assists with the construction of advertising messages that can convey the essence of particular values in different and indirect ways. An appreciation of the nuances of values assists in the creation of messages that meet the need for subtle and original, rather than obvious communication.

**Expansion of Masculinity** →



**Regional Variations**

Regions can be compared on both the amount of change that has occurred and on the degree to which men have accepted this change. In some societies a fairly high degree of change occurred but was seen as “forced”, resented by men and grudgingly tolerated in order to benefit from women’s financial contribution to the home. In other societies there is a greater degree of commitment to the change and the principle of sharing and equality of men and women.



**Masculinity in the Future**

There is variation in men’s expectations of masculinity in the future, depending on the state of change in a particular society, but certain broad themes are apparent.

Women’s views show considerable agreement globally on the characteristics they hope for in a man of the future.

<b>Man of the Future</b>	
<b>Women’s Hopes</b>	<b>Men’s Expectations</b>
Successful	Successful
Responsible	Being a provider
Involved with family	Family orientated
Well groomed	Individual
More sophisticated	Well educated
Gentle	Adventurous
Hardworking	Emotionally expressive
Displaying leadership	Being a strong companion
Caring	Well groomed
Understanding	Open-minded
Having a healthy body	Caring
	Modern (but without abandoning national values)

## COMMUNICATING WITH MEN

### Style and Tone of Advertising Messages

It is evident that men worldwide are becoming more sophisticated in their reactions to advertising. In most countries, there is growing appreciation of more subtle, multi-layered advertising styles. Greater complexity is appreciated — especially the showing of men in multi-dimensional roles, e.g., father, companion, provider rather than a unidimensional portrayal related to the product sector, e.g., a man simply showing off physical strength.

There is also growing appreciation of communication that is involving and draws the audience into a certain mood or experience. Emotion is an important element as long as this is portrayed as having sincerity and depth. Sentimentality or overstated emotion is rejected by men as, while they now enjoy and want more opportunity to express their feelings, excessive emotional display can still be seen as “feminine” or weak. There is a desire for experiences and situations that while aspirational, seem realistic and not based on exaggerated or “plastic stereotypes”.

Men today tend to reject advertisements that seem to be trying to make up their minds for them, lack entertainment or do not talk to them on their own level. In contrast, lifestyle advertising that suggests product and brand benefits is well received. Communication with men can also trade on values expressed by international or local values.

Style preference is also influenced by age, with a more playful, direct communication style being liked by the youngest men, with this reflecting the tone of interaction of their peer group. Older men respond best to more intelligent and sophisticated advertising messages and less well to the playful approach liked by younger men.

Overall, men react most positively to advertising that entertains them and utilises storylines or scenarios that are exciting and interesting in their own right. Originality and good production values are demanded, and there is increasing expectation, especially on the part of younger men, that special effects will be used to create difference and impact. There is criticism of clichéd advertising formats based on product type.

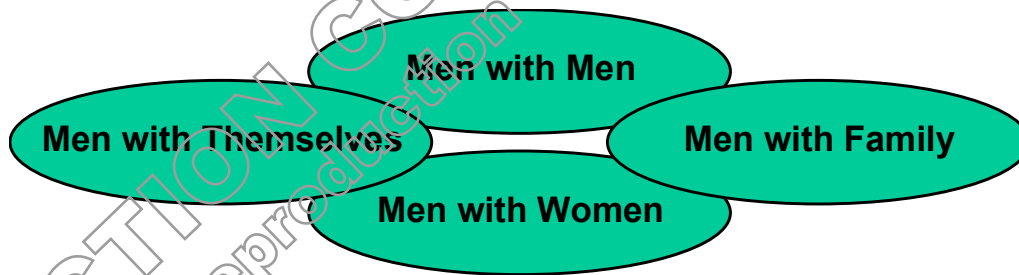
The use of humour is an especially powerful way to communicate with “today’s man”.

Besides enjoying the entertainment value of humour, men in all age groups relate to its use in advertising communication, as humour has an important communication function for them in their own social interactions. It often allows more subtle, sophisticated approaches to be deployed and involves the consumer in that it invites him to get the joke. Humour also enables unusual or sensitive elements to be introduced without seeming inappropriate.

### PROJECTED VALUES IN ADVERTISING

The growing wish for more sophisticated advertising that portrays aspirational lifestyles and messages implies the need for the development of advertising that accurately reflects men’s changing values and expectations. The requirement for images with depth and credibility, and their dislike of falsity and obvious stereotypes means that an understanding of values that allows communication to be as finely tuned as possible to the nature of its particular audience will be of considerable benefit.

Men’s relationships can be depicted as multi-dimensional, with four main spheres being identified in the research. Each of these spheres brings out a different aspect of “self” that is associated with particular values.



### **Men with Men**

This type of interaction is important to men in every country. Certain key values operate in men's social relationships with other men:

- Competition
- Camaraderie
- Strength
- Individualism
- Toughness

This is a sphere in which a man identifies himself as “one of the boys”. Interaction in this sphere takes place in a variety of contexts where the man is in the company of his male friends, e.g., sport, work, pub or gym.

### **Men with Family**

Interaction of men with the family is characterised by:

- Providing
- Protecting
- Caring
- Sensitivity

Many of the changes and conflicts that have taken place are manifested in this sphere. This sphere is of great importance to men worldwide, and the changes in masculine identity (greater emotional expressiveness) and men's roles (more sharing of domestic tasks) have served to bring men into closer contact with their families and make the family central to their sense of fulfilment and identity.

### **Men with Women**

Men's interaction with women occurs in the context of close personal relationships but also in platonic friendships and work situations. In terms of the male-female dynamic this sphere embodies four distinct aspects of the self:

- Archetypal masculine values
- Emotional values
- Eroticism values
- Physical attractiveness values

Archetypal masculine values such as strength, power, dynamism and rationality are important to men, and it was also important to women that men should possess them. Emotional values such as tenderness, sensitivity, care and tolerance are becoming more important to today's man, and they constitute the basis of closer and more enriching relationships between men and women. Values relating to eroticism, in particular the ability to create feelings of passion, sensuality and sexuality, are an innate part of men's values in relationship with women. Finally, values relating to looks are also highly relevant to this sphere and are reflected in concerns with appearance and a desire to project well-groomed sophistication.

### **Men with Themselves**

This sphere is characterised by:

- Self-identity
- Understanding
- Self-expression

Men's relationships with themselves involve values relating to self-identity and role. In this sphere, the fundamental questions of "who am I?" and "what should I be doing?" arise. It is evident that men are acquiring an altered self-perception, with the rigid, traditional parameters of male identity being replaced with more flexible, open means of definition. There is a growing desire for knowledge of the true self and for self-understanding and expression. The relationship with the self is characterised by a much greater degree of open-mindedness and a willingness to consider new ideas.

The changes in this sphere have considerable implications for marketing and advertising. As men seem to be more open to new ideas and more likely to consider possibilities according to the needs of the self rather than according to their fit with the dictates of traditional masculinity, messages can be addressed more directly to the realm of the emotional. Previously, such an approach would have been likely to lead to such messages being "shut out" due to the feeling that emotional expression and concern did not fit with being a man.