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CANNES LIONS
40TH INTERNATIONAL FESTIVAL OF CREATIVITY 14-22 JUNE 2013

CREATIVE EFFECTIVENESS LIONS

Title: Heineken's Legendary Journey: Justifying A Premium The World Over

Client: Heineken International NV

Product: Heineken

1. What were the objectives for the creative work

OBJECTIVES

From international product to global icon

Heineken is the world's most international beer brand, available in over 170 countries¹. But, whilst consumers were able to buy into the same product everywhere, they weren't buying into the same brand. Heineken had never had one single, consistent global campaign, as evidenced by a diversity of local communications:



And who could blame Heineken? In a category where image is (almost) everything, where local tastes have to be



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catered for, and where local communications heritage and competitive conditions have to be taken into account, how on earth could Heineken sell itself in Vietnam in the same way it sold itself in the Netherlands? Why would it even want to?

The simple answer was growth. Heineken had set itself ambitious targets but it was under pressure all around the globe. In some markets it was coming under attack from aggressive local rivals. In others, people were trading down to lower-cost alternatives. In others still, retailer price-promotion was commoditizing the premium beer segment. And in yet more, drinkers were trading up to specialty beers and premium spirits. Whilst volume was still important, Heineken knew that a profitable future depended on maintaining its premium values and value everywhere it was sold - and doing so consistently. Moreover, in an inter-connected world, where you no longer necessarily have to travel to *travel*, Heineken wanted to be the same brand everywhere, speaking in the same voice.

The cost of inaction had the potential to be severe. Quite apart from being unable to take advantage of global marketing efficiencies, there was a danger that Heineken could find itself in a long, slow spiral downwards towards commoditization across the globe – in terms of image, price and value – from which it might never fully emerge.

Killing three birds with one stone

Heineken's global objectives for its first ever truly international campaign were to create positive value in three different, but clearly interlinked, ways:

1. Commercial objectives:

To increase penetration whilst also maintaining value.

To drive the premium beer segment.

2. Marketing objectives:

To sustain a price premium.

To make marketing activity work harder across everything from ads to digital to sponsorship to activation.

To create economies of scale and ensure payback on media investment.

3. Communications objectives:

To create globally distinctive and engaging communications, at or above Millward Brown norms.ⁱⁱ



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To create communications that increased perceptions that Heineken is a Premium, Distinctive and Desirable beer.ⁱⁱⁱ

In order to achieve these objectives the campaign would have to work across every type of market in which Heineken operated. The company's looks at the world in terms of three types of market; Anchor, Building and Star. Each had different objectives based on prevailing market conditions, outlined below for representative markets^{iv}. But each would still need to play its part in helping to realise Heineken's global ambitions. So the campaign needed to have just as significant an impact in Lagos as it did in Amsterdam. Other brands might have shied away from the scale of such a global challenge. But not Heineken.



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2. What was the strategy behind the work?

Be clear about the connection between the objectives, the brief and the final creative work.

STRATEGY

Making international aspirational

How could Heineken take international ubiquity and make it equally aspirational, relevant and engaging to all its beer drinkers worldwide – in order to sustain its premium position?

To nobody's real surprise, this was far easier said than done. Even with the benefits of 20/20 hindsight, the final strategy was years in the making – a journey characterised by false starts and wrong turns.

We needed Heineken to be a brand that men would want to be seen with, that would say something about them wherever they might be. We also wanted it to be something that they would be happy to pay more for.

There wasn't much for us to hang our hats on. Heineken isn't particularly old by the standards of some of the more Monkish Belgian beers^v. Its Dutch heritage wasn't very well known - or indeed motivating (except perhaps to the Dutch). Geographical reach, rather than anything else, was the single characteristic that dominated perceptions of Heineken as a brand. As the Dutch saying goes, this is a brand "Born in Amsterdam, raised by the world"^{vi}. But where local brands naturally connected with local audiences by dint of their heritage, 'international' had become a byword for all that was average, lukewarm, homogenized. And Heineken itself had become the McBeer of the category, bought by many but only celebrated by a few.

We could have sidestepped the international nature of the brand entirely and attached some other resonant quality to it. But Heineken didn't just need to be engaging, it needed to be different.

So instead we decided embrace our globalism.



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Thinking beyond our borders

We felt that denying the one clear truth about the Heineken brand would be to reject the heritage that had made it great. Because, but for the entrepreneurial spirit of the Heineken family allied to a typically Dutch love of trade and travel, Heineken might have remained a good, albeit small brand in a small country in Europe. From the very start, Heineken was in the business of looking beyond the borders of its own small world to bigger, broader horizons. Beyond the brand's ubiquity lay something else – a hunger for experience.

This led to the core of a new platform for Heineken.

In thinking about where Heineken had come from and where it had got to, we made a connection back to the aspirations of our consumers. Nobody wants to feel like they're a provincial amateur, the guy who's small-minded, uncomfortable, unable to deal with situations with confidence. Conversely, every man wants to feel like they're the guy who can successfully navigate life – and they're willing to pay for that feeling.

At the intersection of bland internationalism and the aspirations of drinkers to look and feel worldly, we felt we had an opportunity for the brand to act as a symbol and enabler of the experience men craved. To hold a Heineken was to prove that you are a Man of the World. In other words – Heineken is for men who know their way around.

Heineken's new point of view as a brand became a global rallying cry:

To progress, you must cross your own borders



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Heineken's New Global Brand Strategy

INSIGHT:

Nobody wants to be a provincial amateur

Proposition:

Heineken is for men who know their way around

Brand Belief:

To progress you must cross your own borders

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3. What was the creative work?

Detail the creative output in terms of its content, the media channels, and the investment behind it?

CREATIVE

A Legend is born

We needed a campaign idea that would have real social value for drinkers as they shouted their order across the bar and sat laughing with their friends. It had to make them look not just good, but awesome.

Heineken is a good - possibly great - beer. But its product story is unremarkable to all but its brewmaster. We needed to elevate the beer by elevating those who chose it. It needed to be about them, not us.

We also needed to sidestep the well-worn conventions of domestic lager advertising – many of which Freddy Heineken himself invented all the way back in the 1960's. If we were to be of the world we couldn't afford to be tribal in any way. This was to be modern myth-making. We would be turning the Heineken drinker into something more culturally significant. We'd be turning him into a Legend.

But we needed to be careful. We couldn't afford to invent some distant fiction with no relation to the lives of our audience, so we also set ourselves some tramlines through our Brand Voice:

Witty: We take our beer seriously, not ourselves

Worldly: At home all over the world. This had to work everywhere.

Open: Exuding a sense of broad horizons and good taste

Heineken's global 'Legends' campaign, by Wieden + Kennedy Amsterdam, was born around a simple idea:



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Surprising demonstrations of Legendary behaviour

Making an Entrance

We found that the work had greatest power when it took everyday anxieties that men the world-over had about themselves – making an entrance at a party, going out on a first date, the desire to be cool under pressure – and brought these to life in an integrated way.

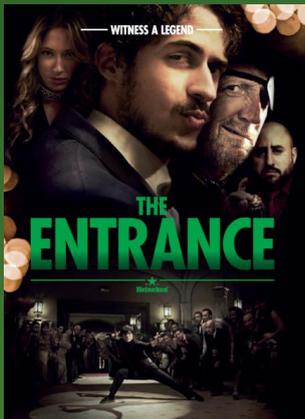
The first three major campaigns to come out of Heineken's new global platform featured the following:

'The Entrance' (awarded Gold in Film at Cannes Lions 2011, Gold and Silver in Craft and Bronze in Integrated Film, Interactive)

'The Date' (Awarded a bronze in Film 2011, the 'Faking Of' awarded Silver in Film at Cannes Lions 2012)

'The Express' (entered into Cannes Lions this year) ^{vii}

Elevate the brand by elevating the drinker



Making an entrance
at a party



Going on a date
with a beautiful woman



Being mistaken
for 007

"Surprising demonstrations of Legendary behaviour"

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Although TV played a major part in each, these were by no means traditional campaigns - flexibly incorporating global ATL, Digital and Activations. Importantly the campaign also served an ongoing role in inspiring local markets to create local 'top-spins' according to specific local needs.

A link to the principal communications covered by this paper can be found here: <http://db.tt/gpu5UmaY>

In the campaign's launch a Legendary hero demonstrates the ultimate party entrance. An interactive version of the film was also hosted on Facebook, allowing people to explore individual backstories.

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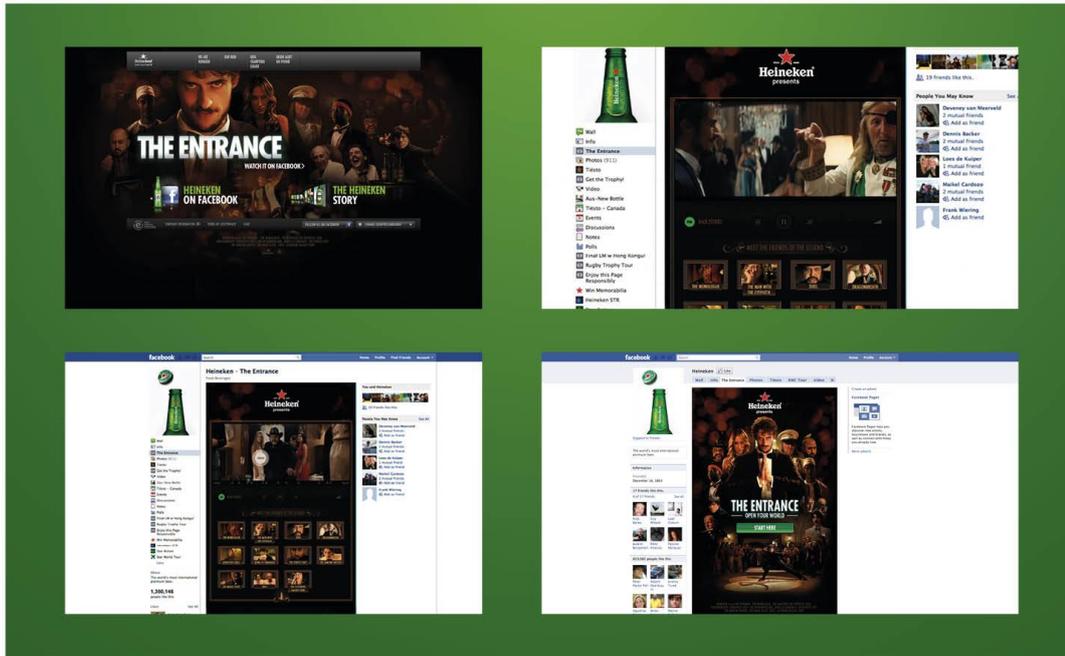
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'The Entrance' TVC



'The Entrance' Integrated Campaign



The follow-up featured our hero taking a girl out on the world's most Legendary first date. This was extended through a behind-the-scenes 'Faking-of' digital film, a Facebook App that gave aspiring Men of the World the tools to ask women out on a Legendary dates (in 20 languages and 640 variations), and the 'Serenade Live' global activation that extended this idea into a 9-hour live online event where personalized serenades, custom written for selected Facebook and Twitter submissions, were performed.

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'The Date' TVC



'The Date' Integrated Campaign



'The Date' Live Activations



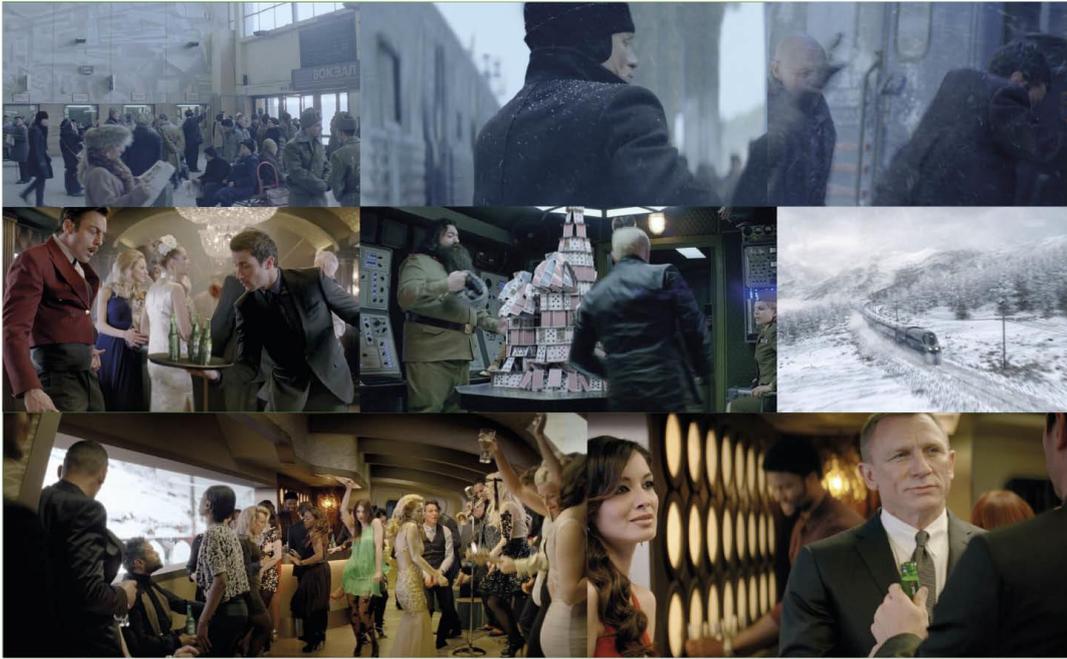
Finally, the campaign was extended into Heineken's association with the Bond franchise, featuring our hero being mistaken for 007. 'The Express' was the first simultaneous launch of a Legends campaign globally, with the 'Crack The Case' digital engagement adding another interactive layer. The campaign was amplified locally with local real-life experiences where consumers could test themselves to see if they had what it takes to be Bond.

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'The Express' TVC



'The Express' Integrated Campaign



'The Express' Live Activations



All campaigns were linked back to product promotions; 'The Express' special edition bottles, festive special packs for 'The Entrance', Valentines Day promotion for 'The Date'.

The net result of this was an integrated top-down global campaign that did that rarest of things - prioritize global consistency and creativity in equal measure.



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4. What effect did it have in the world?

Explain what happened after the work appeared. Again, be aware of the difference between interim and sales effects.

IMPACT

A Legendary challenge

Heineken exists in too many markets to realistically analyse every, single geography in which the campaign has run. As specified in the objectives section, we've used the way Heineken look at the world commercially to divide it into three market typologies, each with a different growth profile. We've picked the two markets for each that have run the Legend's campaign for at least a year, have robust-enough data and which collectively give us a wide-enough representation of the Heineken business internationally.

It cannot be overstated how challenging it is for a single campaign to have a consistent commercial impact amongst such an extraordinarily diverse group of consumers, across such a variety of markets, particularly given the consistency in execution.

Because of the three very different kinds of market type this campaign was looking to influence, we've had to adjust our view of what success looks like according to the prevailing market trend. For example, Value Share has been falling in the Netherlands for years so success there means mitigating that decline and head back towards growth. But in Brazil where Value Share has been growing rapidly, success means substantial additional increases. To show the difference the Legends campaign has made commercially in a consistent way, we have extrapolated what would have happened if the pre-Legends trend had continued and then contrasted this with what actually happened. We have characterized success across all market types as a positive movement compared to the pre-Legend trend.

Working all over the world

1. The Legends campaign has created globally distinctive, engaging communications that have enhanced premium values^{viii}

This is based on global Milward Brown Link Test results which we cannot disclose to public domain.

This is also based on global qualitative research indicating that the campaign has built distinctive premium values:

PREMIUM

GLOBAL PREMIUM CUES FROM TVC'S

At best the campaign establishes a fresh sense of 'untypical premium'



MANY CLASSIC PREMIUM CUES

- An aspirational character
- Opulent settings
- Variety of 'eminent' people
- Juxtaposition of other premium drinks (Champagne) and premium 'serve' (waiters, trays)

REFRESHED WITH A DIFFERENT APPROACH

- Untypical beer drinker
- Untypical beer drinking situation
- Untypical role for the product (not the 'prey' of the character)
- Untypical atmosphere (informal, lighthearted)

Feels like a departure from the normal 'premium game'

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2. The Legends campaign has started building a desirable, distinctive, premium brand image across markets^x

This is based on the following summary of equity measures which we cannot disclose to public domain.

3. The Legends campaign has had a positive impact on volume share across markets^{xi}

This is based on the Volume Share data by country over time, showing the difference between projected and actual Volume Share (in green). *We cannot disclose this information to public domain.*

4. The Legends campaign has had a positive impact on value share across markets^{xii}

This is based on the following Value Share data by country over time, showing the difference between projected and actual Value Share (in green). *We cannot disclose this information to public domain.*

5. The Legends campaign has helped sustain a price premium^{xiii}

This is based on the following Pricing data by country over time, showing the difference between projected and actual average price (in green). *We cannot disclose this information to public domain.*



**5. How do you discount the other factors that could have caused some or all of this effect?
You may use econometrics if you wish but it is not a necessity.**

DISCOUNTING

Heineken does not use Econometric modelling in any of its key markets. Neither have we been able to rely on a test-market approach because of the similar media investment in non-Legends market and frequent incomparability issues. As a result, we have had to rely on manual discounting when making our case. However, the types of data we have used in this paper do collectively allow us to eliminate almost all of the factors at play in each market, other than communications.

Innovation: Unlike other FMCG categories, beer brands tend to innovate in terms of image rather tangible product. The brand's last significant product innovation was Heineken Light in the US but that occurred in 2006, well before the introduction of the Legends campaign.

Distribution: This has been significantly accounted for throughout the paper by featuring share data rather than absolute volume and value data. However, we also have the specific data, in the the UK and Netherlands for example, showing that CWD remaining consistent throughout.^{xiv}

Seasonality: Temperature has a well-known, impact on beer sales. Disproportionately hot years bring with them bumper sales. However, we've used trend data at least two years before the launch of Legends in each market in order to reduce its influence.

Pricing: Significant upturns in volume are often accounted for by a corresponding increase in price promotion. We have demonstrated that Heineken has maintained or even increased its price premium across the markets we've considered^{xv}, and as a result we have concluded that pricing is unlikely to have been a factor – particularly because both volume and value share have increased.

Media Investment: Media investment in terms of Share Of Voice as well as absolute spend has remained broadly constant across markets in pre and post-campaign phases, so we can eliminate this as a major influence.

Other influences: There are various local influences that we cannot fully account for, but which never-the-less we



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believe to have had a relatively minor impact upon commercial results. Trends in beer consumption can have both a positive and negative influence on Heineken's in-market fortunes, sometimes due to macro factors such as health concerns and sometimes due to micro factors such as local fashion. However, the most significant single factor at work recently has been the global economic climate which, since the campaign has run has been continuously depressed. It is more likely than not to have made it more difficult for the brand to justify its premium, particularly in hard-hit developed markets but in almost every geographical region as well.

Finally, the global opportunity to drink beer that is The World Cup last occurred in 2010, so does not need to be included as a factor.

Overall: Within a category where the industry is almost constantly under pressure from a commercial, regulatory, competitive and trend perspective, where actual product differences are few and far between, and where image is – often quite literally – everything to a brand, it seems safe for us to assume that advertising is the key differentiator and driver of sales for Heineken – especially given the lack of preponderance of other major influences during the period in concern.

**6. What was the commercial gain for your Client as result of running the creative work?
Entries will benefit from their ability to isolate a return on investment, not just a picture of sales
growth or changes in brand measures.**

PAYBACK

Value, Value Everywhere

The roll-out of the Legends campaign has been staggered. In its longest-lived geography we so far have only two year's-worth of data to call upon, and it can often take significantly longer than this for marketing investment to pay back. When looking at a brand new campaign like Legends, the sheer variety of geographies and data reporting issues presents us with further issues.

However, we can predict what should have happened to sales had Legends not taken place and the pre-existing trend had continued, in comparison to what did happen in-market once the Legend's campaign started running. By comparing the difference between the sales forecast prior to the introduction of the Legend's campaign and the actual value of sales post Legends campaign that were incremental to that, we can calculate the value of a 'Legends' effect.

We cannot disclose this information to public domain.

We can do this for each of the three geographical 'regions' that we have looked at to give us an estimate of the scale of effect internationally.

Given that we have also discounted the effect of other factors in the success of the campaign we can create a good measure of ROI (though not ROMI for most markets, given the short time-scales involved) by simply subtracting the Media Investment from the incremental value of the 'Legends Effect'.

Importantly, we are not just looking for positive increases in value sales in each market but **relative** positive movement in sales as compared to what we've projected would have happened **without** the Legend's campaign.^{xvi}

When we look at this across all six markets, we can not only estimate the payback per region associated with the Legend's campaign but we can also estimate the average ROI by Heineken market type.

We cannot disclose this information to public domain.



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What's particularly significant about these results is the impact the Legends campaign has had in markets in long-term decline (like the US and Netherlands). To have started the job of both getting back to growth and paying back media investment in under two years is a significant achievement. For one consistently executed campaign to have had a similar impact in extraordinarily different places is truly Legendary.



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7. What do you think this case adds to our understanding of how creativity can be effective?

CONCLUSIONS

Born in Amsterdam, valued around the world

This paper has shown how a Legendary communications campaign has helped create business value by creating a premium image.

It has proven that ubiquity can be made to mean aspiration rather than commoditization.

It has demonstrated that the same creative platform can drive consumer preference across an extraordinarily diversity of markets.

It has shown that creativity, consistency and commerce can happily co-exist at a global level, uniting people, company and brand all the way from Lagos to Warsaw.

And, above all, it has shown that a brand born of the world, by tapping into a deep-seated truth about itself, can move the world's hearts, minds - and wallets.

Word count: 2,951

Entry Composition

Please list the different media used throughout and after your campaign (up to 1 March 2013) with an indication of the period. All parts of the campaign may be considered during judging.

Type of Media e.g. TV campaign - 3 spots
 Date of 1st Implementation e.g. 8-10 November 2012
 Budget/ Media Spend e.g. \$ 100,000 USD

Type of Media	Date of Implementation	Budget / Media Spend	Percentage of overall budget
Brazil Multimedia Legends Campaigns (TV+ Digital+Activation)	September 2011- December 2012	<i>We cannot disclose this information to public domain.</i>	0.1% spend of representative markets reviewed for this paper
Netherlands Multimedia Legends Campaigns (TV+ Digital+Activation)	January 2012 – December 2012	<i>We cannot disclose this information to public domain.</i>	5% spend of representative markets reviewed for this paper
Nigeria Multimedia Legends Campaigns (TV+ Digital+Activation)	August 2011 – December 2012	<i>We cannot disclose this information to public domain.</i>	4% spend of representative markets reviewed for this paper
Poland Multimedia Legends Campaigns (TV+ Digital+Activation)	April 2011 – December 2012	<i>We cannot disclose this information to public domain.</i>	10% spend of representative markets reviewed for this paper
USA Multimedia Legends Campaigns (TV+ Digital+Activation)	March 2011 – December 2012	<i>We cannot disclose this information to public domain.</i>	75% spend of representative markets reviewed for this paper
UK Multimedia Legends Campaigns (TV+ Digital+Activation)	April 2011 – December 2012	<i>We cannot disclose this information to public domain.</i>	7% spend of representative markets reviewed for this paper