

from 258

## DRUM ADVERTISING BRIEF

### Drum Brand History

The Drum “story” begins in Holland just after the end of the Second World War. Pre 1939, all Dutch tobaccos, including both factory made cigarettes and RYO tobacco, were of a light Virginian taste. This was considered to be the standard as far as tobacco products were concerned. However post WW II, where Holland had been left in a deplorable state, American and Canadian liberators introduced a whole new phenomenon – the taste of American cigarettes. Being the taste of “liberalisation”, these American blend products strongly influenced the whole Dutch tobacco market. With reference to the RYO sector, smokers began to imitate the American cigarette flavour and mixing their own light and dark tobaccos – and hence the creation of “Halfzware” blending.

It was shortly after this period that amongst other, Douwe Egberts identified a gap in the RYO market for a single product that gave the smoker this mix of light (Virginian) and dark (Kentucky) tobaccos, but also an American blend taste. Their proposition to the Dutch market was the birth and introduction of the Drum brand.

Drum was launched on 5<sup>th</sup> September 1952 and rapidly gained in popularity due to its unique taste and economy price point. During the 1960’s Douwe Egberts and therefore Drum expanded internationally into places such as France (1962), Norway (1962), USA (1968) and Germany (1976) etc. Today, the brand is available in over 80 countries as well as in Mild, Extra Mild, Ultra and many more formats.

In the majority of markets, the brand now sits in the premium price sector. With a “one blend fits all markets” policy, Drum’s global product attributes can be described as offering the smoker premium quality tobacco and a full flavour smoke.

Along with these product attributes, it’s global central values of freedom and independence have made Drum the world’s best selling RYO tobacco. In 1997 total volume sales for the brand were 8,900 tonnes. This compares to around 3,800 tonnes of Golden Virginia within the same period.

### Rationale for UK Launch

In the recent past, UK trademark restrictions placed upon Douwe Egberts dictated that the only way the Drum tobacco blend could be made legally available to the UK market was to sell it under the guise of the Duma brand. This had been achieved by using Swedish Match as UK distributors for the

product. However, despite the Duma tobacco blend being identical to that of Drum, Duma had not achieved the duty paid market share levels enjoyed by its sister brand within the UK grey market. This is because Duma does not have the same kind of UK brand awareness and loyal consumer base as Drum, as well as not benefiting from the large potential UK sales and marketing support Imperial Tobacco can offer.

Following the trademark dispute between ITL and Gallaher, and therefore the switch of the UK Drum trademark to ITL, launching Drum into the UK duty paid market was an excellent and logical step forward given current market conditions. The brand will not only cater for existing Duma smokers as soon as their brand is completely withdrawn and offer existing Drum smokers a duty paid distribution option, but also gives Imperial a strong competitive brand in the dark and full-flavour, continental style sector of the RYO market.

The brand was launched on 5<sup>th</sup> May, being made available in 12.5g, 25g and 50g Halfzware variants and a 12.5g Milde variant. All UK Drum is made up of the current "Euro" blend tobacco, which is exactly the same as that available to consumers through the grey market. Drum is priced in the economy sector with recommended retail prices being that of current Amber Leaf and Cutters Choice levels (12.5g - £1.89, 25g - £3.75, 50g - £7.45). These prices will remain unchanged through the MPI.

### Marketing Strategy to Date

All UK efforts to date have been concentrated on the successful launch of the brand. With the brand being in the unique situation of having around 15% of the UK grey RYO market and spontaneous awareness levels to match, the main focus of the launch has been to push the message of the new availability of the brand in the legitimate UK market. The launch executions have therefore not been imagery based, but have been consistent with the Drum brand manual.

Working within a restricted launch budget, the bulk of the effort has been concentrated on gaining distribution of the brand and blanket coverage of POS materials. There has been a short burst of national press advertising, again focusing on the availability of the brand, plus a below-the-line promotion targeted at switching current known Duma smokers into the brand.

### Current Brand Performance and Imagery

It is very early days to measure how Drum is performing in the legitimate market place. The brand has been set the target of reaching 6% market share by the end of the current fiscal year, and 10% within the next two. In terms of initial consumer sales however, swipe card returns suggest that the brand is running at around 4% of market and growing. Ex-factory sales, which will include a degree of pipeline filling, are running at around 10% of current



## Future UK Marketing Strategy

We intend to develop the initial foundations built by the UK launch of Drum. With ensuring the natural switch of Duma smokers into the brand, growth, wherever possible, will be at the expense of competitor brands such as Old Holborn and Samson.

Recognising that the brand has a quality perception problem, the objective of increasing the proportion of shredded tobacco in the Euro blend has been set. Also, although not built into any forecast, as the brand builds in market share and imagery, pressures on the upward movement of its current economy price point may be made.

With this in mind, together the fact that the Douwe Egberts name is to be removed from the pack in the near future, short term activities will be concentrated on building the Drum brand imagery that is consistent with the brand manual.

## The Role of Advertising

The brand manual highlights the key brand identity and personality that needs to be achieved through any marketing activity. In the Dutch market, which is mature and where Drum is the number one brand, advertising started through a basic price point message in the 1960's, and has evolved to become ever more theme based. Based upon the Drum brand identity of representing "freedom of mind", the Dutch activity is concentrated on communicating the key personality elements of the brands:

- Going his own way
- Open minded
- Knows what he wants
- Creative

Consequently, the nature of any short term UK advertising should:

- Not represent a simple price message.
- Communicate all of the above personality values.
- Be targeted at the aspirational youth, style end of the RYO market.
- Suitable for targeted style press advertising.
- Comply with the Tobacco Voluntary code, must carry the correct health warnings and must be pre-cleared by CAP.

The main benefits to be derived from the advertising should be to begin to communicate these personality values to the young innovator smoker and begin to dismiss it's cheap reputation.

Because of current time scales and the nature of the UK market, the style advertising is required to be as close to existing Dutch executions as possible. The original executions should be initially run passed CAP, and if any changes are required, they should be minimal and in keeping with the tone and message of the advertisement.

### Project Parameters

- Likely advertising spend c.£350k *incl. Products*
- Execution required 3 or 4 theme ads as per current Dutch executions.
- Timings ??

execute existing again in a way that goes through CAP.

IT's  
— 1. you leads —

work in the UK

Timings From 28 Sep → Dec 10

copy dates - marketing! - how do we deal with this?

▷ Media brief

• Time schedule

Weekend - catch up list - 1-2 UK drinks

total 5 - make for better exposure.