

### **What gave Cuvelier the idea that there was a market for \$10.00 vodka?**

Cuvelier's insight into a potential market for mid-priced vodka came from a combination of market observation and strategic thinking:

1. **Market Analysis:** During the late 1990s, the vodka market was showing significant growth, especially in the premium segment. This segment included brands like Grey Goose and Belvedere, which were priced well above traditional offerings like Smirnoff or Gordon's. Cuvelier noted a gap between these super-premium brands and the lower-priced, generic vodkas.
2. **Consumer Trends:** There was a growing trend of consumers seeking premium lifestyle products without the high price tag. This was evident from the success of brands that offered premium quality at a slightly elevated price. Cuvelier saw an opportunity to cater to consumers who wanted a premium vodka experience but at a more accessible price point.
3. **Competitive Success Stories:** The success of Absolut Vodka, which redefined vodka as a lifestyle and premium drink, likely served as a key reference for Cuvelier. Absolut's ability to create a distinct brand identity through innovative marketing and packaging suggested that there was room in the market for another vodka brand that could capitalize on a similar strategy but at a lower price point.

### **Are there brands you can point to that have used strategies similar to those employed by SVEDKA?**

Several spirit brands have successfully implemented strategies akin to SVEDKA's approach:

- **Absolut:** Introduced in the US in 1979, Absolut quickly rose to prominence with its distinctive branding and creative advertising campaigns. It capitalized on a unique bottle design and art-inspired advertising to create a premium image.
- **Grey Goose:** Launched in 1997, Grey Goose utilized its French heritage and reputation for using high-quality ingredients to justify its higher price, targeting consumers looking for luxury and exclusivity.
- **Skyy Vodka:** Established in 1992, Skyy marketed itself on the basis of purity and a proprietary quadruple-distillation process, appealing to health-conscious consumers with a mid-premium price.

### **What is the brand positioning statement that might guide integrated marketing communications?**

For SVEDKA, a compelling brand positioning statement would be:

"SVEDKA Vodka provides the modern, sophisticated vodka drinker with a premium, smooth taste at an accessible price, combining Swedish tradition and the most advanced distillation technology."

### **What advice would you give Cuvelier for SVEDKA's roll-out strategy?**

1. Focus on Key Markets: Initially target urban markets with a higher propensity for trying new spirits and a demographic that aligns with the target consumer of young, upwardly mobile professionals.
2. Engage Through Promotions and Sampling: Use in-store promotions and organized sampling events to introduce consumers to the brand. This hands-on approach can help build initial consumer interest and feedback.
3. Pricing Strategy: Implement a pricing strategy that positions SVEDKA between the standard and premium categories to attract both value-seeking and quality-conscious consumers.
4. Leverage Digital Marketing: Given the era's evolving digital landscape, investing in online marketing could be a cost-effective way to build brand recognition and engage directly with potential customers.
5. Utilize Positive Press and Awards: Highlighting accolades and positive reviews in marketing materials can help build credibility and attract consumers looking for quality assurance in their vodka choice.

### **Which elements of his total marketing strategy is he relying on for success in this market?**

Cuvelier's strategy hinges on several crucial elements:

1. Product Quality: Emphasizing the high-quality production standards and unique Swedish origin of SVEDKA to differentiate it from competitors.
2. Strategic Pricing: By setting the price point to capture the gap between low-cost and premium vodkas, SVEDKA aims to attract a broad consumer base.
3. Focused Distribution Strategy: Initially targeting off-premise locations where the brand can control its presentation and messaging more directly, before scaling up to on-premise venues.

4. **Effective Use of Trade Relations:** Building strong relationships with distributors and retailers to ensure widespread availability and visibility.
5. **Marketing and Promotions:** Utilizing a mix of traditional advertising, digital marketing, and public relations to build brand awareness and encourage trial among potential customers.

By carefully implementing these strategies, Cuvelier could effectively position SVEDKA as a leader in the mid-priced vodka segment, offering consumers a premium experience at a reasonable cost.

## **How has the positioning evolved? Where is it headed?**

### Evolution of Positioning:

- Initial Positioning: SVEDKA started as a high-quality, imported vodka at a midlevel price. The brand sought to fill the gap in the market for consumers desiring premium quality without the premium price.
- Development Phase: As the brand grew, SVEDKA began to emphasize more than just its product quality and price. It shifted towards portraying a lifestyle, focusing on being a fun and festive brand that is also accessible. This is evident from its marketing campaigns that highlighted its Swedish origin and innovative flavors.
- Current Positioning: By 2009, SVEDKA had established itself as a lifestyle brand associated with fun, quality, and affordability. The brand began to focus more on its futuristic image and trendy appeal, targeting a younger, image-conscious demographic.

### Future Direction:

- Broadening Appeal: After its acquisition by Constellation Brands, SVEDKA's challenge is to maintain its edgy and provocative image while broadening its consumer base. The brand may need to balance between retaining its core young consumers and attracting a wider audience that includes slightly older demographics.
- Innovation and Expansion: Continuing to innovate with new flavors and packaging to keep the brand relevant and exciting will be crucial. Expanding into new markets and enhancing its presence in existing ones will likely be a focus.

## **What are the elements Cuvelier has used to communicate the brand and what was the role of each in the communications strategy?**

1. Provocative Advertising: The use of bold and controversial imagery in campaigns such as the "Adult Entertainment" ads played a crucial role in capturing attention and differentiating SVEDKA from more traditional vodka brands. This helped establish SVEDKA's identity as a bold, innovative brand.
2. Point of Sale Materials: Cuvelier utilized numerous point-of-sale materials like posters, banners, and table tents which were pivotal in creating visual appeal at retail locations and bars. These materials reinforced the brand's presence and helped maintain top-of-mind awareness among consumers.

3. Sampling Campaigns: Engaging directly with consumers through bar nights and sampling events allowed SVEDKA to demonstrate its product's quality and versatility. These events helped build direct relationships with the target audience and increased brand loyalty.
4. Media and Public Relations: By strategically using media and gaining mentions in popular culture and lifestyle media, SVEDKA strengthened its brand image as a trendy and popular choice among celebrities and influencers, which appealed to the brand's target demographic.
5. Trade Shows and Bar Partnerships: These were essential for building credibility within the industry. Partnerships with high-profile restaurants and bars like Starwood Hotels and Ruth's Chris Steak House validated the brand's premium status and broadened its reach.

**Are there brands you can point to that have used strategies similar to those SVEDKA employed?**

Several brands across different industries have used similar strategies to those employed by SVEDKA:

1. Absolut Vodka: Known for its creative advertising and unique bottle design, Absolut has consistently used bold marketing campaigns to establish a strong brand identity.
2. Red Bull: Utilizes a combination of adventurous marketing, sponsorships of extreme sports, and targeted events to promote a lifestyle that is energetic and youthful, mirroring SVEDKA's approach of associating with a particular lifestyle.
3. Dove: Through its Real Beauty campaign, Dove used provocative ads to challenge beauty standards, sparking conversations and building a brand identity centered on authenticity and empowerment, similar to how SVEDKA used controversial topics to garner attention.
4. GoPro: By aligning with adventure and action sports, GoPro has cultivated a brand image that is dynamic and exciting, using user-generated content and powerful visual storytelling, akin to SVEDKA's use of visually striking advertisements.

These brands, like SVEDKA, have effectively used bold marketing strategies and strong visual communications to create distinct brand identities that appeal to specific lifestyles and values.