

Proving to be the perfect marketing challenge

Patricia Langton looks at some of the latest developments in the fast-moving world of Tequila where the hotspots are still the US and the UK.

STILL THE RISING star of the spirits market along with vodka, Tequila is continuing to build its volume sales and develop higher quality products. A category which can boast versatility and appeal to a wide range of consumers, both male and female, Tequila offers endless possibilities for the marketer — the US in particular is seeing a steady stream of cocktail mixes and line extensions to attract more attention from the consumer.

At the super premium and ultra premium end, Tequila is seeking to align itself with the equivalent segments in the Scotch market. Communicating the message that these Tequilas have been produced from 100% blue agave, carefully selected, blended and aged, is the task ahead and in tandem with this, the mode of consumption is most definitely sipping and savouring.

At the other end of the spectrum, the less serious slamming ritual continues to drive volume sales while introducing the category to consumers especially in new markets such as Brazil.

For brand owners concentrating on premium Tequilas the challenge is to capture the attention of Tequila drinkers who are looking to trade up as well as the discerning consumer who is curious to try alternatives to Scotch or Cognac.

Aided and abetted by some highly origi-



Way ahead of the pack in the US and in export markets as a whole but Cuervo's role is yet to be defined in the UOV portfolio. The brand is also developing a stronghold in Europe where it is up against Sauza.

nal and eye-catching presentations, Tequila is finding its way into the listings of non-Mexican on trade outlets including specialist design-driven bars. One of the latest of this genre in London is 'Che', a so-called spirits library, which is an ideal platform to draw prestige to top end Tequilas and other spirit categories.

Recent statistics confirm that Tequila is on a growth path in the UK. According to Nielsen on trade sales for the category for June/July 1998 were 36% up on the same period of 1997.

Drawing attention to Tequila's origin is also crucial to enable the quality end of the category to develop. Taking a leaf out of Scotch's book, producers are starting to open the doors of their production facilities to enable a better understanding of where and how Tequila is produced and its maturation process.

One of the first to move in this direction has been *Destileria Porfidio*, one of the leading players in the premium Tequila category. Earlier this year the producer opened the doors of a state-of-the-art production facility just outside Puerto Vallarta, Jalisco, the fruit of a US\$4 million investment.

In total contrast to large industrial Tequila factories, the new buildings clearly define the production process from the selection of the blue agaves or 'pinas' to the pot stills and barrel ageing.

The new distillery, which produces Perfidio's fast growing Plata brand, a super-premium, triple-distilled Tequila which is unaged, as well as the entire Porfidio range, has also been created to increase volume in order to meet the growing demand in export (see following page). ■

Press
To
Zoom

Cuervo still leads the way

PART-OWNED and distributed by UDV, Cuervo is still by far the category leader in export, with the US being a key development area. Indeed its US sales for 1997 highlight that other Tequilas are some way behind. Total sales for the year reached 2,686,000 cases for Cuervo compared to 627,000 for Montezuma, 390,000 for Giro and 365,000 for Sauza (Source Canadian/Jobson).

Just what kind of role Cuervo will play in the future as part of the new UDV setup remains to be seen, although some range segmentation is in the pipeline stateside to take the brand onwards and upwards. ■

Porfidio extends its reach

MEXICO'S LEADING ultra-premium Tequila, Porfidio is extending its distribution to Europe, having established a stronghold in the US.

Porfidio, which was founded by the Austrian Martin Grassl, is distributed and marketed in the US by Florida-based Todhunter Imports Ltd. Porfidio has made



its mark in US with the single-barrel 'anejo' Tequila known as Cactus and had subsequent success with Plata (see below) which now accounts for a significant portion of total sales. Over in the UK, Porfidio is also being marketed by Todhunter. The company's UK distribution arm, The Drinks Company, is concentrating efforts on Silver,

an unaged double-distilled Tequila which is positioned as a Tequila for mixing, and Plata and Cactus which are to be enjoyed straight or on ice.

One of the more expensive brands around, this trio retails for £28, £30 and £65 per bottle respectively.

Porfidio joins the line-up of Todhunter's spirits products which includes Cruzan Estate Single-Barrel rum from St. Croix in the Virgin Islands as well as Conch Republic rum.

The Drinks Company also distributes the mainstream Tequila brand Sierra in the UK. Backed by concepts such as the Sierra slamers premix packs, the Tequila is making good progress in the UK off trade and has recently achieved its first national listing with the Parisa wholesale group. ■

Sauza gets the A-D support package

WITH SALES UP 39% on 1997, Allied Domecq is continuing a programme of extensive support behind the Sauza brand focusing on the key US market.

Hoping to capitalise fully on the Christmas period, marketing initiatives have been rolled out to attract the gaze of the US consumer in both the on and off trades.

A new display concept in the form of an eight foot high 3-D margarita glass with gift boxes at its base has been created to reinforce Sauza's image and gift appeal in-store. In addition Sauza Conmemorativo, the premium Tequila, is being supported by an added-value gift pack offering a limited edition hand-painted margarita glass and two different gift cartons for Sauza Gold have also been rolled out.

Keen to develop higher quality Tequilas, Allied Domecq is maintaining ongoing above-the-line support for Conmemorativo with the 'Life is Harsh, Your Tequila Shouldn't Be' campaign which takes a humorous look at life's harsh realities and is running in the national press. A new poster campaign is backing Hornitos, a super pre-



mium 100% agave Tequila in Chicago.

Both Sauza Conmemorativo and Hornitos are also being backed by 'Let there be Sauza' merchandising in the off trade. Branded display bins and added-value glass packs have been introduced to encourage consumers to trade up to higher qualities and similarly in the all-important on trade, bar kits and posters convey the same message.

Marketing efforts behind the brand as a whole seem to be paying off: brand sales increased by a total of 39% in 1998 with all components of the range turning in a respectable growth. Performing particularly well are Sauza Blanco and Extra Gold with a combined increase of 59% and Hornitos which rose by 38%. ■

Herradura exploits the premium niche in the UK



WITH EFFORTS focused on the on trade, Herradura and its sister brand El Jimador have been making in-roads in the UK. Having established a distribution base for the brands, agents and distributors H. Rose are confident about future development in both the Texmex arena and beyond.

"Tequila is now a more mature category and people are beginning to understand quality Tequilas," Mukesh Kejriwal of H. Rose told *Drinks International*.

Kejriwal sees the education of bartenders as an essential to develop brands such as Herradura, a 100% blue agave Tequila. ■

Montezuma underlines its Mexican heritage

A NEW PROMOTION "Uncover the Secret of the Aztecs" is supporting Montezuma Gold and Silver in the UK and aiming to create excitement around the brand. Linking in with the Tequila's colourful imagery, the promotion consists of a kit designed not exclusively with the Mexican style outlet in mind. Containing a range of merchandise it includes an Aztec mask logo, posters, game cards, tent cards, T-shirts and complimentary shots of Montezuma as well as prizes.

For Monte Alban Mezcal, which like Montezuma is distributed by Seagram in the UK, promotional activity is not for the faint-hearted. Using the Agave worm as the USP, a "Shoot the Worm" promotional kit offers 48 miniatures complete with worms with a 70 cl bottle.

Customers who are courageous enough to shoot Monte Alban and eat the worm are awarded an "order of the worm" certificate. Other promotional material includes "Eat Me" branded worm t-shirts, posters, table and bar tent cards. ■