



Case Study:

Diageo: Don Julio

Year: 2022



This case study was prepared for the client Diageo for the product Don Julio Cinco to celebrate the true spirit of Cinco de Mayo. It was developed and designed by Anomaly. In the Mainstream Impact category, it won gold.

Executive Summary:

The challenge: We needed to galvanize a smaller, deeply authentic Mexican tequila to take over a seemingly inauthentic and cluttered holiday: Cinco de Mayo.

The objective: We needed to harness Cinco de Mayo as a tentpole to drive penetration and equity gains among a broader, Total market.

The insight: Very few know that Cinco de Mayo is really about celebrating Mexican devotion in the face of adversity. Over the years, Cinco de Mayo celebrations in the US had turned the holiday into a commercial festivity, distanced from its true substance and meaning. However, Cinco's true story honors the triumph of the battle of Puebla, in which Mexican communities devoted themselves to protecting their heritage against a towering enemy of the era: The French empire.

The strategic idea/build: Celebrate the real meaning of Cinco through the real people who bring its true spirit to life.

The execution: DJCinco: A 360 campaign dedicated to celebrate the Mexican-American trade whose devotion keeps our bars/restaurants and Cinco celebrations alive.

The results: Double-digit share increase, penetration growth, outpaced gains across KPI and equity metrics relative to the category leader, and #1 SOV.

Definition of your challenge:

Category context: The bulk of volume in the ultra premium tequila category(\$45+) was being dominated by the category leader(49.9%)(2), the share leader in this space and Don-Julio's #1 source of volume(1).

Business context: Don Julio was in growth aided by hispanic consumers who were more familiar with the brand (1/3 of our buyers are Hispanic), however among the total-market, upper and lower funnel KPIs greatly lagged the category leader.

Brand context: Don Julio historically trailed the category leader among Total-Market in the emotional-engagement metric, the #1 metric tied to P4WClaimed-Consumption, as well as in key equity metrics: distinctiveness and dynamism(2).

Cinco context: On an occasion level the holiday historically favored Mexican beer and on a category level, it favored bigger and more established brands such as the category leader due to higher mental+physical availability.

The challenge: Don-Julio needed to drive gains among the total market during a heavy media spend holiday that favored bigger brands.

Our goals were clear: We needed to harness Cinco de Mayo as a tentpole to drive penetration and equity gains among a broader, Total market.

- Drive 1% YOY penetration (actual sales) growth.
- Outpaced brand KPI gains vs #1 competitor
 - Spontaneous Awareness
 - Aided awareness
 - Trial
 - Past 4WCC (our closest penetration proxy for competitors)
- Outpaced key perception gains vs #1 competitor
 - Emotional engagement (the #1 metric tied to penetration)
 - Distinctiveness
 - Dynamism

The Key Insight & Strategy:

Cinco's true meaning.

Over the years, Cinco de Mayo celebrations in the US had turned the holiday into a commercial festivity, distanced from its true substance and meaning. However, Cinco's true story honors the triumph of the battle of Puebla, in which Mexican communities devoted themselves to protecting their heritage against a towering enemy of the era: The French empire. Cinco's true meaning is: the celebration of the triumph of Mexican devotion in the face of adversity.

Cinco's true community.

This meaning was best embodied today by Mexican-American hospitality workers who are overwhelmingly employed by this sector and whose devotion to their craft held their industry together during the most challenging year in its history. And with many finally reopening that summer, Cinco de Mayo would represent a real victory for the trade, especially those who made it through.

Cinco's true spirit.

This devoted and resilient spirit was embodied by Don Julio. As opposed to other tequilas in the ultra premium category who were founded by celebrities and investors, Don Julio, the man, embodied a lifelong devotion to his craft and to the community around it, overcoming great adversity along the way.

Our strategy was clear:

Celebrate the true spirit of Cinco: the Mexican-American hospitality whose devotion to their craft embodies Cinco's true meaning.

Establishing our mission - We started our journey with action by establishing The-Tequila-Don-Julio-Fund with a commitment of \$1million to approved charities who support the communities that have helped build our spirit into the brand it is today. Starting with a combined \$125,000 to two charities supporting the bar and restaurant industry as well as Mexican hospitality workers who are the backbone of this industry: Restaurant Workers' Community Foundation and No Us Without You LA.

Proclaiming our mission - We announced our mission through a national OLV that honored the triumph of Mexican-American workers—cooks, barbacks and waiters— whose devotion kept the industry alive in its most challenging year. The spot was deliberately soundtracked with Pedro Infante's rendition of 'Cielito Lindo', an iconic Mexican song that celebrates the triumph of joy in the face of adversity, as a way to honor the true meaning and essence of the holiday. We then continued our support by creating \$125,000 worth of physical and digital Don Julio Cincos that consumers were able to redeem for \$5 each and encouraged to spend at their local bars and restaurants. The Don Julio Cinco was designed by Mexican Artist Claudio Limon and inspired by the brand's heritage and devotion to the hospitality industry. Our Don Julio Cinco's were distributed through Automatic-Tequila-Machine(ATMs) events in key cities. Furthermore, as a way to drive more support around our mission, we enlisted Mexican Artist Claudio Limon to release the FIRST-EVER NFT for Diageo. Claudio created an exclusive design inspired by the Don Julio Cinco that was available with an NFT and auctioned on Rarible.com. Claudio donated net proceeds to the Tequila Don Julio Fund. Finally, to prove our long term commitment beyond Cinco, we extended our efforts to Hispanic Heritage Month by harnessing money raised in our Don Julio Fund to grant \$20,000 to five Hispanic entrepreneurs and OOH+Social exposure to support their businesses.





Results:

These results prove how an insight rooted in cultural authenticity has the power to propel a smaller, outspent and lesser known tequila brand within the most commercialized and seemingly inauthentic tequila holiday among a broader, total market. Achieving double-digit share increase, penetration growth, outpaced gains across KPI and equity metrics relative to category leader and #1 SOV.

Objective 1: Drive 1% YOY penetration (actual sales) growth.

We achieved +1.6% YOY penetration in Q1F22. And when comparing results to Q1F19, a time more similar to Q1F21 given pre-covid status(2) we delivered a +136.7% gain.

Objective 2: Outpaced Total-Market brand KPI gains vs #1 Competitor

Achieved outpaced gains vs category leader Q1F22 YOY %(2)

- Spontaneous awareness +23.30%
- Aided awareness +5.30%
- Trial +6.80%
- L4W Claimed Consumption +40.60%

Objective 3: Outpaced Total-Market key perception gains vs #1 Competitor

Achieved outpaced gains across all key metrics vs category leader Q1F22 YOY %(2)

- Perception Metrics Q1F22 YOY % change among Total Market
- Emotional Engagement +9.40%
- Distinctiveness +3.40%
- Dynamism +6.00%

Industry Impact:

This paper proves the power of reaching the universal through the specific. Demonstrating how an insight rooted in cultural authenticity can propel a smaller, outspent and lesser known brand to drive differentiation and penetration within the most commercialized and seemingly inauthentic tequila holiday. By tapping into Cinco de Mayo’s true meaning (A celebration of the triumph of Mexican devotion in the face of adversity), Don Julio: Looked beyond Cinco’s conventions and reclaimed it not as one and done, but as the launching pad for a long term commitment that honored Cinco’s true meaning, yielding stronger results by outrunning the category, not outspending it!