

Digital Advertising In Canada's Beer Category:

Capping it off with a Prize

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KANTAR MEDIA

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As we start off the New Year and look back on Canada's 2011 advertising trends, the Consumer Packaged Goods (CPG) industry stands out as one that has historically been, and continues to be, a leading source of advertising expenditure. More specifically, this industry makes a substantial investment in the digital market. During the first three quarters of 2011, a whopping **\$54.4 million** was spent on **CPG Internet display advertising**, or what we will refer to as "digital" advertising in this brief. **Beer** dominated the CPG beverage category, accounting for **52%** of the digital beverage ad spend. With the help of our leading multimedia ad monitoring data, we explored these significant figures further.

In terms of Internet ad expenditure, **Budweiser**, **Corona** and **Coors** are the top three digital beer advertisers, respectively. The extreme peaks and dips in their digital spend over the course of nine months reveals a common strategy of offering experiential prizes through sweepstakes, with a higher concentration of advertisements during the sweepstake's limited period. **Rickard's** and **Molson Coors** followed close behind these leaders in spending yet took a different approach.

For further insight on the opposing ad tactics of the top beer advertisers, we sought to gain a deeper understanding of brands new to advertising on the Web, the sites and site categories with the highest Internet beer ad expenditure, and the creative messaging behind their campaigns. Highlights of this brief include:

- Measured Internet advertising across the CPG industry
- Measured Internet advertising within the beverage category
- Measured digital ad expenditure by beer and ale advertisers
- Creative strategy
 - Budweiser
 - Corona
 - Rickard's
 - Molson Coors
- Internet expenditure for websites and website categories

Measured Internet Advertising Across the CPG Industry

The CPG industry invested a total of \$54.4 million in digital advertising, accounting for 27.6% of total digital advertising across all industries from Q1-Q3 of 2011. The beverages category accounted for 14% of total CPG expenditure.

CPG Digital Spend (Canada)		
Rank	Category	Share of Total CPG Digital Spend
Total CPG		100%
1	Personal Care Products	35.2%
2	Food & Candy	21.6%
3	Non-Prescription Remedies	15.7%
4	Beverages	14.3%
5	Household Products	13.2%

*Source: Kantar Media
Time Period: January–September 2011*

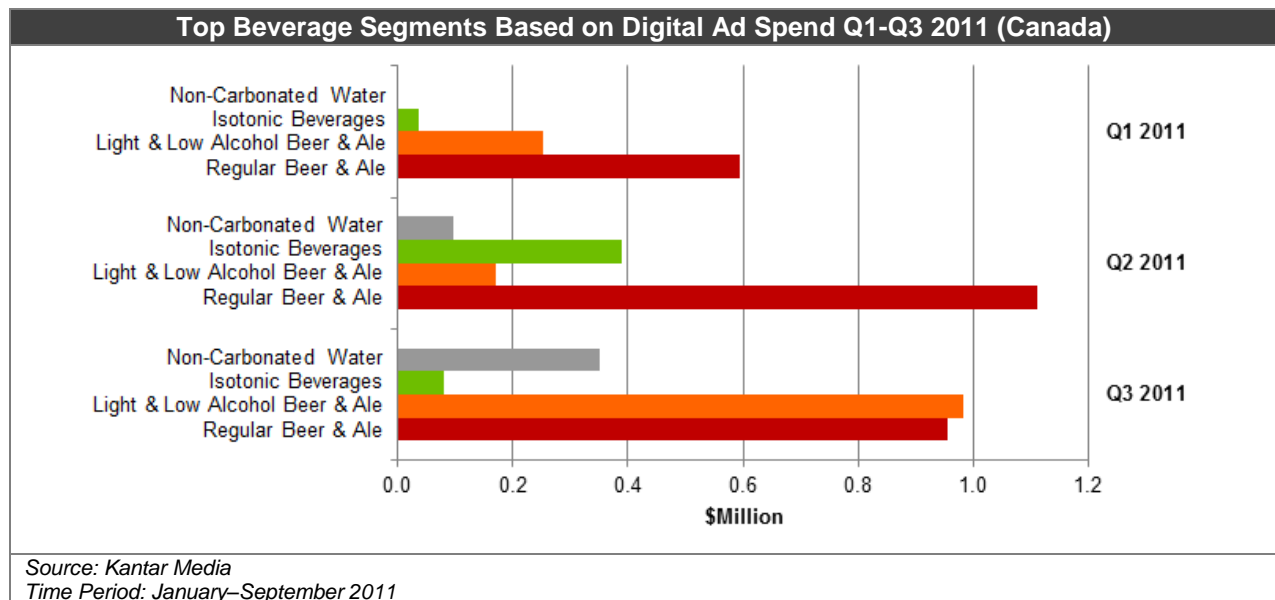
Measured Internet Advertising Within the Beverage Category

Within the beverage category, the beer and ale segments account for 52% of total digital spending. This qualifies regular and light beer as the highest spending beverage segments, followed by coffee, isotonic beverages (also known as sports drinks), and bottled water. Of the dollar investment in Internet beer ads, 65% is allocated to regular beer, and 35% to light beer.

Top 10 Beverage Segments Based on Digital Ad Spend (Canada)		
Rank	Segment	Share of Total Beverage Digital Spend
Total Beverage		100.0%
1	Regular Beer & Ale	34.3%
2	Light & Low Alcohol Beer & Ale	18.1%
3	Coffee	10.6%
4	Isotonic Beverages	6.5%
5	Non-Carbonated Waters	5.8%
6	Dietary Carbonated Soft Drinks	4.9%
7	Regular Carbonated Soft Drinks	4.1%
8	Fruit-Flavored Drinks & Drink Mixes	3.4%
9	Carbonated & Flavored Waters	1.8%
10	Fruit Juices	1.65%

*Source: Kantar Media
Time Period: January–September 2011*

A quarterly breakdown of the digital spending patterns across the top beverage segments reveals different periods in which spending spikes. As the heat of the summer approaches, regular beer advertisers increase their digital spending; they spent the most on digital ads during the second quarter of 2011, an increase of 87% from the first quarter. Their spend decreased slightly by 14% between Q2 and Q3. In contrast, digital spending for light and low alcohol beer was highest during those summer months when the heat of the season forces us to ditch the layers; spend peaked during the third quarter, an increase of 83% from the second quarter. Isotonic beverage digital ad spend was greatest during Q2 of 2011, in anticipation of hot summer days when consumers are more sensitive to loss of fluids and electrolytes.



Measured Digital Ad Spend by Beer and Ale Advertisers

Topping the list of beer advertisers in Canada is Budweiser, clearly dominating with almost 39% of digital beer spend share from January to September of 2011. Corona is responsible for 13% of digital beer expenditure, followed by Coors with 9%.

Top 10 Beer and Ale Advertisers Based on Q1-Q3 2011 Internet Ad Spend (Canada)		
Rank	Advertiser	Share Total Beer Digital Spend
Total Beer and Ale		100.0%
1	Budweiser	38.5%
2	Corona	12.7%
3	Coors	9.0%
4	Rickard's	7.2%
5	Keystone	6.0%
6	Molson Coors	5.2%

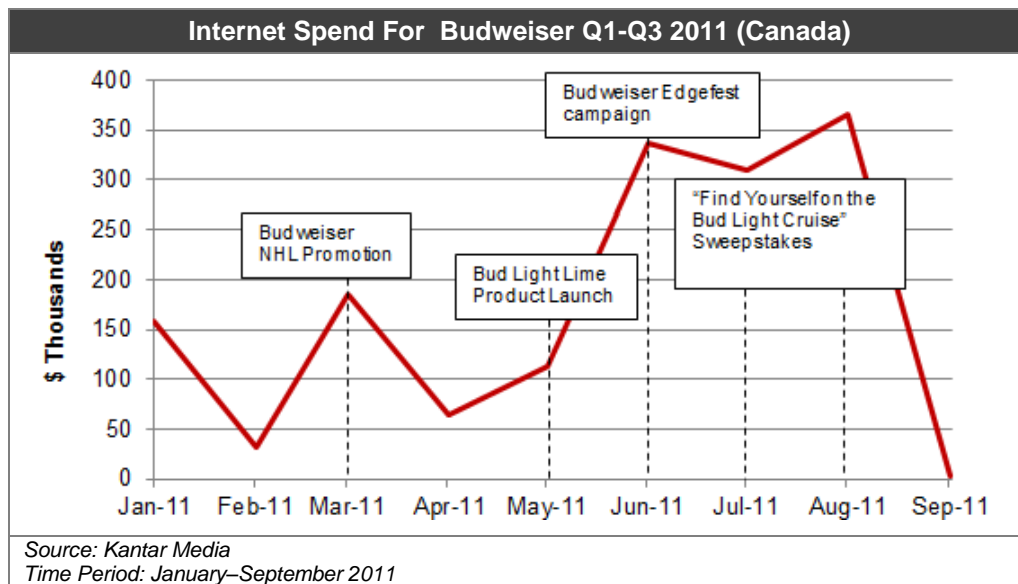
7	Mike's Hard	5.1%
8	Heineken	3.2%
9	Miller	3.2%
10	Alexander Keith's	3.2%
Total Top 10		93.2%
<i>Source: Kantar Media</i>		
<i>Time Period: January–September 2011</i>		

Creative Strategy

Analyzing digital ad spend as well as creative for top beer advertisers over a nine-month period yields further insight on their ad strategy. While they typically pursue a myriad of advertising approaches, we chose to examine the common theme of experiential advertising, that is, advertisements that featured an opportunity to win experiential prizes in exchange for brand loyalty.

Budweiser

Budweiser's digital spending peaked during March and the summer of 2011 and then plummeted at the close of Q3, the trend line following course with Bud's big promotions of the year.



Budweiser

In March and April, Budweiser kicked off their experiential campaigning with an NHL Stanley Cup promotion, offering the chance to win tickets to the final Stanley Cup match. In June, fans had a chance to win backstage passes and other hospitality perks to the Edgefest'11 rock festival as part of Budweiser's campaign. The brand was also promoted through their third-annual "Bud Camp" campaign, a contest which awarded 250 lucky winners a wilderness getaway in August. Contest entry was driven through various avenues, such as entering a PIN code found in specially-marked cases of Budweiser at Budcamp.ca, a Facebook photo contest and Bud Camp games at bars across

the country. Not at a loss for promotions, Budweiser launched a digital ad campaign from July through September that promoted their sponsorship of the BC Lions of the Canadian Football League (CFL).

Budweiser Online Display Ads (Canada)	
Creative 1	Creative 2
Creative 3	Creative 4
<p>Source: Kantar Media Time Period: January–September 2011</p>	

Bud Light

Month-by-month analysis of Bud Lights' Internet advertising shows a digital spend peak from June-August 2011. During this period, the advertiser's campaign strategy concentrated on a tropical vacation sweepstakes, launching a "Find Yourself on the Bud Light Cruise" contest that ran from July through August. Through the Bud Light Canada Facebook page, fans could participate in a chance to win a Bud Light Cruise Experience by "Liking" the Facebook page. Participants could then play a game by uploading a photo of themselves and using virtual binoculars to locate their photo among four virtual cruise locations within 45 seconds. Budweiser also created an NHL campaign for their Bud Light brand, promoting a separate Bud Light contest during Q1 2011 which offered participants the chance to win tickets to the Stanley Cup Final in the spring.

Bud Light Online Display Ads (Canada)		
Creative 1		Creative 2
English	French	
Source: Kantar Media Time Period: January–September 2011		

Bud Light Lime

Bud Light Lime digital ads ran from May to September that positioned the brand as a summer beer. This meant going head-to-head with Corona, which is typically served with a lime wedge in the neck of the bottle and synonymous with the beach. Bud Light Lime ads supported this beach theme by offering fans additional avenues for entry in the Bud Light Cruise contest, such as posting “I’m in” on the Bud Light Lime Facebook page. The brand also hosted its own Bud Light Lime Party Cottage contest in June, offering a one-week party for a winner and nine lucky friends.

Bud Light Lime Online Display Ads (Canada)	
Creative 1	Creative 2
Source: Kantar Media Time Period: January–September 2011	

Budweiser 4

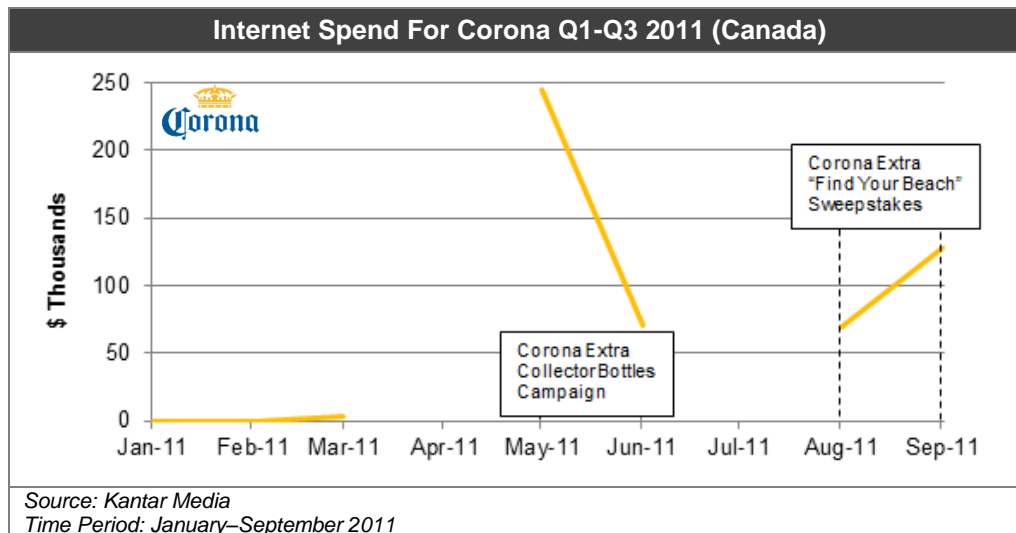
In June and August Budweiser advertised Budweiser 4, its lighter, low alcohol brand, brewed with the taste of regular Budweiser. Budweiser offered an online contest in which site visitors could win four tickets to the F1 Grand Prix in Montreal, the U2 Montreal show, the Montreal NASCAR Nationwide Series, or an NFL game.

Budweiser 4 Online Display Ad (Canada)

Source: Kantar Media
Time Period: January–September 2011

Corona

Corona made virtually zero digital ad investments during the first quarter of 2011, and then significantly increased their spend in May 2011 in support of their “Find Your Beach” campaign. A considerable amount was also invested at the end of Q3.

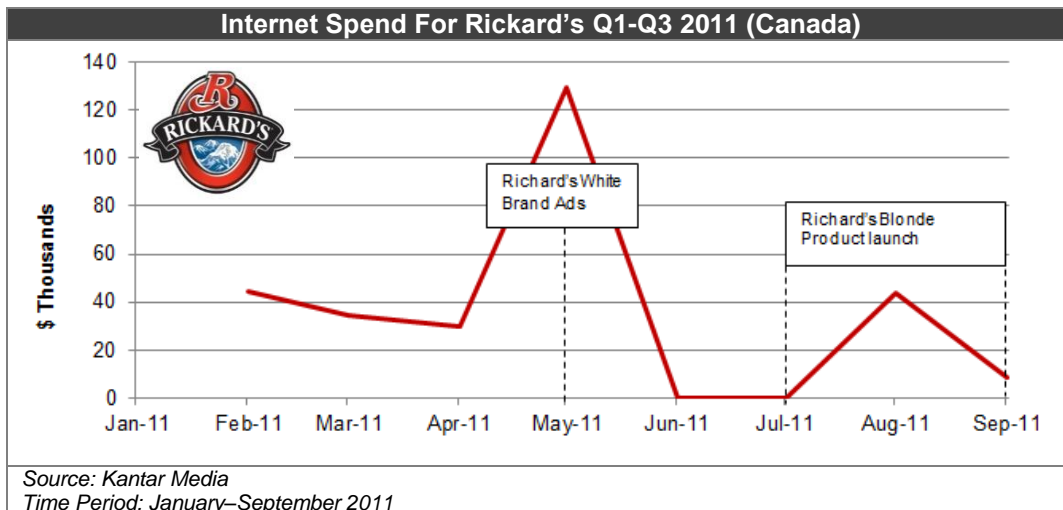


Corona’s promotional advertising focused on Corona Extra. A close-up of their creative campaigning reveals the May release of limited edition Corona Extra bottles with imagery of palm trees and beach scenes. Later in August, Corona launched their “Find Your Beach” sweepstakes, one of the biggest retail promotions in the brand’s history. Similar to Budweiser’s strategy, the campaign provided customers an opportunity to win one of 100 trips to Mexico by finding custom-wrapped bottles or cans in stores. Bottles included codes that consumers used to enter a drawing for more than 1,700 prizes.

Corona Extra Online Display Ads (Canada)		
Creative 1	Creative 2	
	English	French
<p>FOR A LIMITED TIME ONLY AVAILABLE IN 6-PACKS</p>   <p>Corona Extra</p> <p>COLLECTOR BOTTLES</p>	<p>GET YOUR PIN CODE IN SPECIALLY MARKED 12 & 24-PACK BOTTLES TO ENTER!</p>  <p>YOU COULD WIN 1-4 \$25,000 TRAVEL VOUCHERS TO Find Your Beach</p> 	<p>POUR PARTICIPER, OBTIENS TON NIP DANS LES CAISSES DE 12 ET DE 24 BOUTEILLES SPÉCIALEMENT IDENTIFIÉES!</p>  <p>TU POURRAIS GAGNER 1-4 PRIX DE 25 000 \$ POUR trouver ta plage</p> 
<p>Source: Kantar Media Time Period: January–September 2011</p>		

Rickard's

Ad expenditure was highest for Rickard's in May and August of 2011 due to concentrated promotion of both old and new brands.



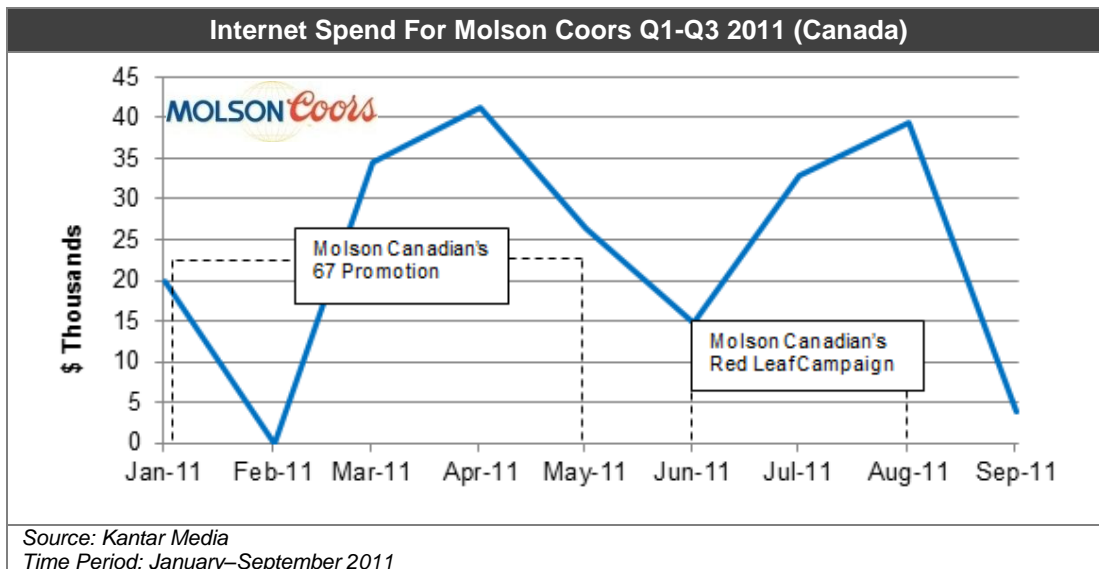
Unlike Corona and Budweiser, Rickard's 2011 campaigns focused solely on the benefits and novelty of their products, without giveaways or contests. Earlier in the year they focused on advertisement of their three pre-existing beer brands, Rickard's Red, White and Dark, standing by the slogan "A Pint of Delicious You Can Enjoy at Home". The high expenditure in May was dedicated exclusively to Rickard's

White. They also increased spend in August to support the rollout of a new brand, Rickard's Blonde. This new German-style pilsner was crafted to appeal to specialty beer enthusiasts, with the tagline the “newest pint of delicious”. Both digital ads emphasized the beer’s taste and flavor without further incentives.



Molson Coors

Digital ad highlights for Molson Coors took place in April and August of 2011 at the height of advertisement for Molson Canadian 67 and Molson Canadian's Red Leaf Campaign.



Molson Coors

In line with other sweepstakes beer advertisers, Molson Coors promoted their main brand with a Canadian road trip vacation contest that included a hockey game and shopping spree. Unlike the other top brands, Molson Coors demonstrated a strong focus on corporate responsibility with an ad promoting responsible choices when drinking.

Molson Coors Online Display Ads (Canada)

Creative 1



Creative 2



Source: Kantar Media
Time Period: January–September 2011

Molson Canadian

Similar to other top beer brands, Molson Canadian advertised their sponsorship of the NHL in September. Unlike other light beer ads that centered on sweepstakes, Molson Canadian 67 ads focused on the light beer's caloric count. Similar to Rickard's, Molson Canadian underscored the benefits of the light beverage – half the calories of wine or mixed drinks – without using an experiential promotion. Social responsibility was again highlighted in the Molson Canadian Red Leaf Campaign during the summer. Similar to Budweiser brands, Molson Canadian offered contestants the opportunity to win tickets to independent music concerts. However, what differentiated this sweepstakes from the others was that in order to win a ticket, contestants were required to participate in the Great Canadian shoreline cleanup, a demonstration of Molson Coors commitment to the environment.

Molson Canadian Online Display Ads (Canada)

Creative 1



Creative 2





Internet Expenditure for Websites and Website Categories

An examination of ad spend by website for the top beer advertisers uncovers a striking amount of competitive ad clutter. Websites highlighted in yellow below appear more than once within the list of top ten advertised websites for Budweiser, Corona, and Molson Coors.

Spend by Site For Top 3 Beer Advertisers (Canada)					
Budweiser		Corona		Coors	
Website	Dollars (000)	Website	Dollars (000)	Website	Dollars (000)
Grand Total	\$1,565.4	Grand Total	\$516.8	Grand Total	\$365.0
fr-rds.ca	\$315.2	tsn.ca	\$153.4	ctv.ca	\$46.2
fr-rds.ca (Hockey)	\$139.6	sportsnet.ca	\$31.3	fr-rds.ca	\$37.8
torontosun.com	\$132.5	sympatico.ca (TV Guide)	\$24.3	fr-vtele.ca	\$33.1
ticketmaster.ca	\$126.2	fr-cyberpresse.ca	\$23.6	sportsnet.ca	\$30.0
fr-cinemaquebec.com	\$99.6	sympatico.ca	\$17.2	tsn.ca	\$28.5
fr-cinemamontreal.com	\$86.6	weathernetnetwork.com	\$14.8	fr-rds.ca (Hockey)	\$22.6
sympatico.ca (TV Guide)	\$78.5	sympatico.ca (Sports)	\$12.8	ticketmaster.ca	\$22.2
sympatico.ca	\$74.7	fr-canoe.com (Infos)	\$12.7	aol.ca	\$17.4
kijiji.ca (Edmonton)	\$61.3	hour.ca	\$12	ctv.ca-news	\$15.8
sportsnet.ca	\$47.7	q107classicrocktoronto.com	\$12	adviceforinvestors.com	\$13.1
Total Top 10	\$1,161.9	Total Top 10	\$314.1	Total Top 10	\$266.7

Source: Kantar Media
Time Period: January–September 2011

The top advertisers concentrated their digital ad dollars on sports, radio, and television websites. Radio website Tsn.ca and sports website fr-rds.ca had the most beer advertisers, with nine and eight different advertisers respectively. In terms of trends across the full list of beer advertisers, sports, as well as movie

and television websites received the highest investment, accounting for 37% and 25% of all digital beer ad spend.

Beer Ad Spend by Website Category (Canada)			
Website Category	Share of Spend	Advertisers	Websites
Sports	37.2%	11	28
Movies, Videos, TV & Cable	25.2%	12	19
General Interest/General Entertainment	7.6%	15	37
Local News & Guides	7.1%	12	28
Radio Stations	4.4%	13	80
News & Current Events	3.3%	14	14
TV Stations	3.1%	10	11
Portals & Search Engines	2.2%	8	5
Portals, Search Engines & ISPs: Multi-Service	2.0%	5	2
Business, Finance, Investing	1.52%	11	19
<i>Source: Kantar Media</i>			
<i>Time Period: January–September 2011</i>			

An examination of the top 10 websites that received the most ad dollars from beer advertisers designates the two television websites, sympatico.ca and fr-vtele.ca, as well as sports website sportsnet.ca as having higher proportions of Canadian beer ads than any other websites on the Internet.

The arts and culture website hour.ca hosted many beer advertisements, two-thirds of which were for Rickard's and one-third for Corona. With Rickard's new beer launch targeted to a more cultured audience, it seems fitting that they selected an arts and culture website for their ads; it's no wonder that almost 60% of Rickard's advertisements were placed on this site alone. Rickard's also placed 20% of their ads on blogto.com, a general interest website about Toronto, compiled by a group of artists and intellectuals. Similar to Rickard's, Molson Coors targeted an audience that valued social responsibility through placing ads on websites like canoe.ca, a site containing a network of verticals on culture, health, fashion, technology and travel.

Summary

In examination of the top beer advertisers, Budweiser and Corona emerge with very similar ad campaigns, each providing experiential offerings to their fan bases in an effort to engage consumers. In contrast, Rickard's pursued a different and simpler approach by focusing their message on the benefits of their new brand, catering to a different demographic. Molson Coors employed a combination of these strategies with a greater emphasis on social responsibility.

Our analysis of digital trends in the beer and ale segment is based on our monitoring of the tradigital marketplace. Our scope extends beyond beer, so if you need to know how a particular category or brand is faring across the entire media mix, we can provide you actionable insights based on our broad range of solutions. Please contact:

Leslie Darling
SVP, Digital Innovation
Kantar Media Intelligence North America
Tel: 212.991.6128
leslie.darling@kantarmedia.com

About Kantar Media

Kantar Media provides strategic advice and competitive intelligence to the world's leading brands, publishers, agencies and industry bodies, helping them navigate and succeed in a rapidly evolving media industry. This includes analysis of paid media opportunities; counsel on brand reputation, corporate management and consumer engagement through owned media; and, evaluating consumers' reactions in earned media. Kantar Media provides clients with a broad range of insights from audience research, competitive intelligence, vital consumer behavior and digital insights, to marketing effectiveness and online influence. Our experts currently work with 22,000 companies tracking 3 million brands in 50 countries. www.KantarMediaNA.com