



THE MARKET

Smirnoff is a global, youthful and vibrant brand that has grown to achieve leadership in the alcoholic drinks category. The Smirnoff trademark comprises a variety of products, including Smirnoff Vodka Red Label, Smirnoff Vodka Blue Label and Smirnoff Ice.

Smirnoff Vodka Red Label - the flagship brand under the Smirnoff brand name - is produced in accordance with the tradition set up by Pior Smirnoff in 1864, based on recipe No. 21. Smirnoff Red has grown to be the world's number one spirit by sales volume and value, and is the leading cocktail base on the market. The drink is sold in over 130 countries, and used in popular cocktails like Smirnoff Dawa, Screw Driver and the Ambulance.

Smirnoff Ice Blue Label is the export label Smirnoff with a slightly higher alcohol content than Smirnoff Vodka Red Label - 47.5 percent alcohol by volume (ABV). It is a popular variant, especially in duty free shops around the world.

Smirnoff Ice is the leading "ready to drink" (RTD) brand in the market. It consists of Smirnoff Red and Black Ice, and has appealed to customers since 2000.

Smirnoff has other variants in its global stable that retail in select outlets within the East Africa region, such as Smirnoff Black and Smirnoff Twist. The Smirnoff brand appeals to youthful, fulfilled young adults from the legal drinking age of 18 to 34 years. However, its look is that of the young, active and aspirant adult of about 25 - 27 years. The brand is currently the preferred alcoholic drink for all partying occasions.

Smirnoff Vodka Red Label comes in a range of pack sizes that appeal to different consumer requirements: The 30ml tot (dispensed in bars), 205ml bottle, 350ml bottle, 750ml bottle and one litre bottle.

Smirnoff Vodka is a premium product that has won accolades around the globe. Its quality has remained unmatched over the years and consumers of all segments have learned to trust it as their number one vodka. The various packaging ensures accessibility and affordability to all consumer segments, from low to high-end.

Smirnoff Ice also uses similar communication tools and the brand's communication strategy ensures maximum synergy is achieved whenever the brands are being communicated in all media. Smirnoff Ice has only one format - a 300ml bottle for both Smirnoff Red and Black Ice.

Smirnoff has long been the leader in the premium vodka segment, controlling over 90 percent of the premium vodka segment. The



rest of the vodka category in the Kenyan market largely comprises low-end brands. Smirnoff Ice, on the other hand, controls over 70 percent of the RTD category according to Research International data.

In the retail sector, Smirnoff has grown to attain top spot in leading supermarket chains. The growth of the take home sector of the business has impacted positively on the brand. Smirnoff Ice has also been a well-liked drink in the same segments. There has also been a growth in style-oriented bars, which focus on cocktails and entertainment. These bars tend to be trendy and youthful in their set up and clientele and Smirnoff is the preferred brand. In line with these trends, Smirnoff has focused its activities in these key growth areas, being seen as an exciting and trendy drink.

Smirnoff's future looks bright: Continuous innovations have kept the brand's growth momentum rising over the years. New flavours and different, exciting variants are constantly being developed with great prospects for application to all global markets. Consumer tastes and preferences are continually changing and Smirnoff keeps tabs on these changes, proactively shaping the path for the vodka and RTD categories.

New interest in cocktails and alternative formats of consumption is also a growth opportunity for the brand. The appearance and expansion of new markets like Rwanda, Burundi and Sudan offer vast opportunities. Smirnoff's unmatched heritage is certainly a key asset that will ensure faster entry into these new markets and consumer acceptance of the brand.

ACHIEVEMENTS

- 2007 - Ranked the most powerful spirit brand in the world
- 2006 - Smirnoff celebrates its continued relationship with another iconic brand - "James Bond" - with the world premier of Casino Royale
- 2006 - New pack design introduced in Kenya
- 2005 - Smirnoff becomes the number one spirits brand by sales volume and value
- 2005 - Established as the world's finest vodka by New York Times
- 2000 - Smirnoff Ice is introduced to most major markets and becomes the leading RTD Smirnoff was the first brand in the region to introduce an RTD version with Smirnoff Red Ice. The launch of Black Ice has given Smirnoff run away leadership in the RTD segment. Smirnoff also lead the "cocktail revolution", being first-to-



market Dawa and Colacoster, which have become the region's top selling cocktails

HISTORY

Smirnoff has its roots in Russia where, in 1864, Pior Smirnoff set up his distillery. Since then, the traditions of vodka distilling have been passed from generation to generation. Pior was appointed Purveyor to the Imperial Court by the Tzar and was awarded the right to depict the Russian State Coat of Arms on his bottles. Subsequently, the brand grew and entered new markets where it gained immense popularity. In North America, it became the cocktail brand of choice from as early as 1940.

Smirnoff has continued to conquer new markets, reinventing itself continually to become the world's number one spirit.

Smirnoff's great heritage and tradition have been carried down through the ages and continue to be important factors in Smirnoff maintaining its impeccable quality. Smirnoff is distilled three times to produce an exceptionally clean, consistent and high proof spirit. Additionally, it is filtered in ten stages through specially sourced charcoal from Birch trees grown for this purpose in Eastern Europe, ensuring its purity.

The brand was introduced to Kenya by International Distillers Ltd.



The combination of Smirnoff's heritage and focused strategies has made it a market leader, even in an essentially beer-centric country.

A superb advertising platform made Smirnoff stand out in the market, eventually gaining a lead in the spirits segment. The introduction of Smirnoff Ice broadened the brand's offering and created a new platform from which to compete.

THE PRODUCT

Smirnoff brands are alcoholic beverage brands aimed at the young-at-heart who would like a brand to enhance their enjoyment in a fun-filled, uninhibited environment. The brand offers consumers versatility as a cocktail or a straight drink, over ice. Seasonal pack innovations tied to promotional activities and occasions come in the form of gift packs, party packs or multi packs.

RECENT DEVELOPMENTS

Smirnoff recently re-launched a new global pack to ensure Smirnoff pack formats are streamlined.

PROMOTION

Being a fast-moving brand in a fragmented and competitive environment, Smirnoff has had to remain highly innovative in its consumer communication programs and advertising. The main above-the-line media used is television, radio, newspapers and magazines. Below-the-line communication is driven in bars to achieve maximum interaction with consumers and includes posters, fliers and other mediums.

- Successful promotional activities include:
- The Smirnoff promotion tied to the James Bond movie Casino Royale
- Smirnoff Experience events through promotions in bars - RUOn and Party Up Down South
- National Under-the-Crown promotions for Smirnoff Ice

The brand's tagline "Smart stuff" was very successful in the introduction of Smirnoff Ice and immediately connected with the consumer. Other campaigns like "Clearly Smirnoff", "Clearly Discovered Smirnoff" and "Purest Spirit of all" were also very successful, reaching their target markets and expanding awareness.

BRAND VALUES

Smirnoff is associated with originality, boldness and intelligence. The brand promises to be original by using original interactions and experiences. Smirnoff is committed to celebrating every moment with its consumers in a clearly original way. The brand logo is uniform for all products in the Smirnoff family and reflects the crisp difference and edge, common to the brand. For consistency of its products, a brand production manual governs the recipe and production standards for Smirnoff. This is a brand entrenched in the minds of vodka lovers across the globe.



THINGS YOU DIDN'T KNOW ABOUT SMIRNOFF

- The word "vodka" comes from the Russian word "voda" and the Polish "woda", meaning water
- Vodka has been produced in Russia since the end of the 9th Century
- Each drop of Smirnoff takes at least eight hours to be filtered through the ten-step filtration process resulting in a smooth, premium spirit
- Smirnoff beat 20 other premium vodkas in a *New York Times* blind tasting to emerge number one
- Since its introduction in 1999, over two billion bottles of Smirnoff Ice have been sold
- The leading markets for Smirnoff are the USA, UK, Canada, South Africa, Brazil, Ireland, Spain and Australia