## How the UK came to adore branded wine Le Piat d'Or



It was 1974. The UK market for wine was beginning to move. Branded contenders were making swift headway amongst unsophisticated UK wine drinkers. Key contenders were German, *Blue Nun* and *Black Tower*. And *Mateus Rose* from Portugal was also courting UK consumers. Despite these incursions, the market was still predominantly French with wines from across the channel in widest distribution throughout the UK. But they were beginning to lose ground.

To UK consumers, France was synonymous with wine. It represented the gold standard. But these new, emerging drinkers did not really understand French wine. This was about to change.

Our initial analysis of the market was based largely on an inspection of available data with a small amount of consumer research carried out to fill in the gaps. Initial conclusions were:

- 1. There were two wine markets in the UK. The first comprised upper-class educated drinkers whose families had been consuming wine for generations. They were a tiny percentage of the population and they gravitated towards the excellence of fine wines from Bordeaux and Burgundy. They would not represent a target for branded wines and rejected wines like *Blue Nun* which they regarded with some contempt.
- 2. Emerging 'nouveau' wine drinkers had problems coming to terms with this new category. First, there was the problem of recognition. French wines paid little heed to going after new drinkers. Their branding was understated and uncompromising, and even if consumers discovered a French wine which they liked, they might have difficulty recalling its name, or identifying it on the shelf next time around. And labelling paid scant attention to informing non-French consumers about the character of their wine. If there was any product information, it was in French and beyond the comprehension of most UK consumers.
- 3. The other issue was the product itself. French wine was hugely variable, from 'brand' to 'brand' and from year to year. Wine, being an agricultural product was subject to the vicissitudes of climate. To examine this more closely, we conducted some small=scale research amongst regular UK wine drinkers. (Not the upper-class educated kind.)

We gave consumers (men only) two wines to taste 'blind'. The first was a good second- growth Bordeaux wine, while the alternative was a 'Eurowine', a sweetened blend of wines from lesser regions Austria, Hungary and Italy. This Eurowine wine, called *Hirondelle* was a clear winner. The Bordeaux was thought to be 'harsh', 'bitter' and 'barely drinkable' while the Eurowine was thought be 'smooth', 'easy to drink' and 'of exceptional guality'.

## The plan

IDV's (the company that was to become Diageo) aim was to develop a branded French wine. The company wanted to take advantage of France's dominant position in the UK market – but they wanted to create a French wine that could appeal more directly to this emerging group of new consumers.

- 1. The first element in the plan was branding. The task was to find a name that UK consumers would find easy to remember. The company had recently bought a small Beaujolais brand called *Piat* and this short four letter word would fit the bill. To differentiate the new branded wine from the mother brand, we named the new wine *Le Piat d'Or.*
- 2. *Piat's* credentials were further enhanced by a unique bottle-shape, a cross between the then fashionable *Perrier* bottle and an Indian club. It had the potential to be both memorable and to stand out on the shelf, whether in a supermarket or a wine shop.
- 3. The *Le Piat d'Or* name suggested an elegant gold label which made it look like a 'special occasion' purchase. Wine was very much a 'treat' item at that time. And to take account of consumers' concerns about the character of the wine itself, the legend 'Exceptionally smooth' was posted on the shoulder label in both English and French. This set an objective for the taste of the product.
- 4. The final link was the wine. We needed a fool-proof method of briefing conservative French wine makers to deliver a product that would help achieve our objectives. We wanted a sweet, easy-drinking red wine without any of the punishment of tannin which characterised many French wines at the time. We chose an unorthodox method to achieve that aim. Our product 'template' was to use the Liebfraumilch *Blue Nun* liquid and colour it red using proprietary food colouring. We knew that German wines were acceptable to new UK drinkers and we wanted to appropriate their taste characteristics for a French wine.

The initial response to our prototype met with some resistance. But eventually the wine makers knew what we were after. And they were able to develop the idea further by adding small quantities of grape must (grape juice) which made the wine more acceptable to UK palates and also provided the opportunity to standardise the quality of the liquid year on year, a benefit hitherto not available to French wines.

Le Piat d'Or now had all the characteristics of a modern brand.

## The Result

Le Piat d'Or was launched in the UK in 1975 and soon became a major player and a significant contributor to the growth in wine-drinking in this market. It became a brand leader through the 70s and early 80s and created substantial markets in Canada and Japan. It only failed to penetrate the US because the local incumbent was a Frenchman who didn't believe in branded wine.

Its humorous advertising campaign based on the memorable line "The French adore Le Piat d'Or" was universally admired and became a key driver in building awareness for the brand.

It succeeded, not because of some 'outside-the-box' imaginative leap, but through a series of simple observations about branding and liquid which had previously been ignored by French wine people. And its success was achieved on a very small budget.



## Notes:

- This blog post is based on the author's book <u>That Sh\*t Will Never Sell: A book about ideas by the person who had them, YPD Books (2017)</u>
- The post gives the views of the author, not the position of LSE Business Review or the London School of Economics.
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**David Gluckman** spent nearly five decades creating drinks brands. His book *That Will Never Sell:* A book about ideas by the person who had them (Prideaux Press) covers his career observations, successes, failures, and key branding lessons. The book – especially his conclusions on the practices and principles of brand development – is essential reading for anyone studying or interested in brands and new product ideas.