

Diageo North America's CMO Talks Marketing Global Brands to a Local Audience

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As chief marketing and innovation officer of Diageo North America, Edward Pilkington is responsible for maintaining some of the largest spirits brands in the world—among them Captain Morgan, Crown Royal and Smirnoff. While TV and out-of-home (OOH) advertising still play a large part in the mix, Pilkington has strongly embraced digital to help fit these global brands within the context of a local audience.

We spoke with Pilkington for our upcoming report on the future of the CMO about how he manages a large portfolio of brands, embraces digital out-of-home (DOOH) and took Diageo North America's programmatic and social efforts in-house.

What's top of mind to you as CMO?

A big part of what I do is making sure we have a clear portfolio strategy and shaping how we accurately market over 20 brands. We're constantly looking at our portfolio and making sure we've got the right brands that are well positioned and executed in the market. As part of that, for example, in the last year we shed 19 brands. [Some of these brands include Seagram's VO, Romana Sambuca and Goldschläger.]

We've also acquired four brands in the last six or seven months, so we're very active in terms of how we manage our portfolio and what lines up with trends in the industry and trends in society in general. That's a huge part of my job.

What are some challenges in maintaining a large brand portfolio?

The key message really is consistency of positioning—the look and feel of each brand. Imagery is really important, so when people go around the world, they see that the brand feels the same. You still have to do brilliant marketing locally, and I always say—especially in a big country like [the US]—it's not one country, it's multiple countries. You need to make sure you're tailoring the message, whether it's around the demographic or the cohort of consumers you're talking to, or the part of the country you're talking to. The consistency of look and feel is important—the message, the tone—but how you land that might be slightly different.

How does this inform your media mix?

For our big brands—Crown Royal, Smirnoff, Captain Morgan—we still do good old TV, because you still need that reach and big brands are really about reach and then context. We partnered with the NFL because you reach thirty-odd million people weekly. If you think about OOH, for some of our brands that are strong in bars and restaurants, [that] can be quite an effective tool for us, and the ROI tends to be quite good.

Then we have a broad consumer set that you want to get to through the use of programmatic and targeting. A lot of that comes down to performance marketing. One of the things we've done in the last year is in-housed our social and programmatic. We've taken that on board and in terms of our ability to deliver effective programmatic, we're now serving up what I'd say is better content to more people—more effectively, and more cost effectively, than we have been before.

You mentioned OOH is an important part of the mix, how has digital changed this space?

DOOH gets the right message to the right consumer at the right time. Say it's 12:30 on a Sunday, and you're walking to have a brunch. The opportunity for us to serve up content in a neighborhood where there's lots of bars around is exactly that. And that's just about using data to serve up the right message. It's still the simple stuff, but it's effective.

Do you apply the same approach with your smaller brands?

On our small brands, the principle is the same. Turning up in the right place and then getting the right message around them. We'll be more targeted on our small brands—geographically, what community do we want to be in? A brand like Singleton, which is a single malt whisky that we're just getting going with—fundamentally, we're testing it at the moment in Portland because in terms of the community in Portland, it kind of worked. We're doing lots of targeted OOH and social, and then we're in the food and the creative community there. That's how we build a brand. We get that model and start to roll it across similar areas and scale it.

Make sure to read our upcoming report on the future of the CMO, publishing mid-October.