

Todd Allen Transcript

Todd Allen: I think the first and foremost thing is you just need to continue to be relevant to the consumer. Offer them the right product at the right time in the right format, and ensure that you're doing that in the most effective way possible. That's why we pride ourselves so much on creative effectiveness, because in challenging economic times, you can prove the return on investment on what you're doing is working. You can scale that to other countries, to other zones, and ultimately ensure you're delivering the right product at the right time to the right consumer.

Matt Britton: To thrive in a rapidly evolving landscape, brands must move at an ever-increasing pace. I'm Matt Britton, founder and CEO of Suzy. Join me and key industry leaders as we dive deep into the shifting consumer trends within their industry, why it matters now, and how you can keep up. Welcome to *The Speed of Culture*.

Up today, we're going to be speaking with Todd Allen, global head of marketing at Budweiser. Todd, so excited to have you on today's episode. Thanks so much for joining.

Todd: Thanks for having me, Matt. Looking forward to the conversation.

Matt: Absolutely. We're going to start by quickly getting to know a little bit about you. You've had a long career in the packaged goods and beverage space, and we'd love to hear a little bit about your journey.

Todd: Yes, I've been in FMCG for, well, over 20 years now. Started in Canada, working for Unilever in various sales and marketing roles for about 10 years. Then I joined Anheuser-Busch InBev in 2012. I've been with the company for 10 years, again in Canada, leading brands like Budweiser, Bud Light, Michelob Ultra. Had the good fortune to do my first stint in our global headquarters leading Stella Artois globally for a couple of years in 2015, then went back to Canada to be the CMO for our Canadian operation. For the last two years, I've been back here at global headquarters leading marketing for Budweiser. An honor and privilege to work for the world's most valuable alcohol brand here.

Matt: Absolutely, and for younger people that are part of our audience that are thinking about getting into a career in brand marketing, what are some of the main takeaways or learnings that you can point to from your time at Unilever, which is such a well-established, renowned global house of brands? What did you take away from that that really positioned you well to put you on the journey to where you are today?

Todd: I think first and foremost is being curious. To be an effective marketer in today's world, you need to be curious because the landscape is constantly evolving. That'd be number one. Number two, just having an unbelievable passion for creativity to solve true consumer and customer problems. I really believe as a marketer, that our number one job to do is to really use creativity to solve problems for consumers and customers, that ultimately, drive business growth for our business overall.

Then just have an immense passion for consumer insights and understanding. Always trying to understand consumers as people. What is the insight driving their behavior that you can ultimately develop a creative solution against, and just show up in their lives where you truly add value. What would consumers miss if your brand didn't exist, and how do you bring relevance to them every day?

Matt: Absolutely. You and I have almost the same time of going to the professional world, and when I tell my kids that when I first started working, the internet was just becoming a thing. It wasn't until maybe 10 years into my career, and it looks like yours, by the time you left Unilever, the iPhone was invented. Here we are in 2022 and it's a completely different world. Given all that, how has the role of managing building a brand changed over time, and over the course of your career, what are some of the shifts you've had to make to be a more effective marketer?

Todd: Well, one, I think the fragmentation of media has evolved so much over the last 20 years, really from a model where you used to be able to reach your audience with select media channels, the right content and the right media channels, but that media now is fragmented. It's moved from broadcast age to now more social digital media, where the metas of the world, the Googles of the world have aggregated the audiences through their platform. You need to reach that audience through their platforms in a fit for format way with the right message at the right time with the right context.

Now with the pandemic with more people at home, using the home as the hub, the direct-to-consumer is going to be the next big forefront of marketing.

Matt: Especially in your category, because that was a lagging category, ordering in beer, wine, and spirits that obviously didn't take off as quickly as some other categories in the food and beverage space.

Todd: Yes, definitely. Now you're going to have to build a community that has a one-to-one relationship with everyone going forward, and provide true utility for them to be able to reach them in a relevant and meaningful way.

Matt: As part of that obviously with all the changes with Apple and your ability to target consumers in a DTC world, how important is first-party data, and what are some of the challenges given that you're an alcohol brand in collecting first-party data?

Todd: It's incredibly important. Obviously, we do it respecting all the guidelines and legal restrictions. Then one thing we're also doing at AB InBev is building our own suite of world-class digital products. If you think of brands like Zé Delivery in Brazil, and brands that we're building in TaDa in Mexico, Colombia, Argentina, specifically in Latin America, we're building that direct-to-consumer e-commerce business, at a one-to-one level with our consumers. That's an unbelievable way for us to reach our audience in a meaningful way. It's building our own suite of digital products.

Then an example like Budweiser for example, we have our biggest ever global campaign with the World Cup coming up, *The World Is Yours To Take*. One element is limited edition packaging with QR codes that people can buy, scan and have the chance to win amazing tickets to the FIFA World Cup and other instant prizes. Then using that relationship then be able to communicate to them throughout the tournament, letting them know when different watch parties are happening, different promotional events, so on and so forth. It's very important.

Matt: If I had your job and I was day one, here you are sitting really behind the controls of a iconic American brand, which is what Budweiser is— I look at it like Nike or Cadillac or some of these other brands that have been around for so long. Obviously, the rub, when you're behind an iconic American brand is you have this tension between respecting the legacy brand equity pillars on

which a brand like Budweiser is built on, but also being able to progress and contemporize the brand for a new generation of beer drinkers. How do you deal with that tension there in terms of— I know some of the things you're doing around the World Cup are super progressive, you just gave an example of a tactic. Do you often, I don't want to say struggle, but contend with making sure that you don't lose the heritage and history of the brand and what made it so special at the same time?

Todd: Yes, definitely. We want to lean into the values of what made Budweiser so special in the US and now the most valuable alcohol brand around the world, and the values are really true everywhere that you go. It's around ambition. It's around optimism. We want to connect with our fans and our drinkers around the world that have those same values. The people that have the ambition to go forward in life. That despite the naysayers and the obstacles that sit in your way to have that drive to really go for it in life. The way that Budweiser founder's story is amazing, two immigrants from Germany came to Missouri had a dream of creating and bringing the lager beer to the Americans, and ultimately founded Anheuser Busch and Budweiser and grew it, as I said, to what it is today.

We stay true to the values of the brand. We're completely uncompromising on our quality in terms of delivering that crisp, clean taste refreshment to everyone, no matter where we brew, Budweiser, our quality standards are unheralded. That's the balance, stay true to the values of the brand, stay true to our quality standards, and then show up in a relevant way in the different countries where our audience interacts with our brand in a meaningful way.

Matt: Speaking of balance a lot of marketers also have to face this balance between upper funnel and lower funnel, brand building and performance marketing. I saw a couple of weeks ago that you guys were named the world's most effective marketer behind the Global Effie Index, which is an amazing award. I spent 20 years in the advertising industry before getting this off, I know how important that is and what an accolade is on behalf of your team. How do you become an effective brand and your advertising and marketing when you are spending money above the line that's maybe slightly less measurable? How are you able to connect that into a measurement plan that allows you to be confident in your spend in this market?

Todd: We take a full-funnel approach to everything now. It's not an or it's an and. You need to still build the brand affinity and top-of-mind awareness for that mental availability for consumers at the top of the funnel. Then you need to use data and you need to use the community that you've built to drive conversion at the bottom of the funnel. We're putting as much effort into developing creative solutions at the bottom of the funnel than we are at the top of the funnel as well. For us it's an and it's not an or.

As you mentioned, we use all the modern marketing mix models to evaluate our effectiveness and measurement. It's been amazing for us as we set out on a journey to become the world's most effective creative marketer, and we achieved that in 2022. We got recognized by Cannes Lions as market of the year. This year WARC has us as number one in creative and creative effectiveness. As you mentioned, the Global Effie Index just recognized us as the most effective marketer in the world. It's an amazing accomplishment, but we're not satisfied with that yet. We want to stay at the top of that mountain, but now evolve with digital integration in the bottom of the funnel and continue to focus on building that brand love at the top of the funnel and driving conversion all at the same time.

Matt: I would imagine a big part of also being effective, it's not just focusing on the consumer, but also the trade side, whether it's off-premise or on-premise with COVID, hopefully winding down. We've heard that before. Assuming it does, obviously, your on-premise business is probably— You have great comps from the last couple of years that people are filling bars and nightclubs, et cetera. How important is on-premise and trade marketing in terms of being effective, and how do you split your time as somebody who's staying on top of the brand, on a global basis?

Todd: It's critically important as you mentioned. We take an omni-channel approach as we develop our creative solutions for whatever it may be. If it's a campaign like the Budweiser FIFA World Cup, or if it's an equity problem we're trying to solve, we really take a full-funnel and omni-channel approach to it. Being able to activate at retail, whether it's the supermarkets, the big traditional retailers, and then on-premise, all our restaurants, bars, these are where people come together to enjoy our products.

That's really the role of our category is to create a future with more cheers and to dream big to do that. This is where people are coming together every day to enjoy each other's company, to enjoy our product. It's a critical channel for us to be able to deliver against our role in the category.

Matt: Absolutely. I'm sure like so many businesses, you have this slingshot effect where you're focused on your business and then, " Oh, no, there's no more on-premise," because all the premises are closed, so we need to focus on direct-to-consumer and the liquor stores. Now, all of a sudden, people are coming back in and you have to focus on that side. It's not easy to be a marketer trying to move this quickly when you have such a large organization.

Todd: We learned a lot in the pandemic, to be honest, because the existing plans and, as you said, got thrown out the window. We realized the power that we could do when we come together as a team and really focus on solving consumer problems. Then being able as a global company to test and learn solutions in one market that works. Then we're able to scale that globally around the world through the sharing of our best practices. We're honored for the recognitions that we've received, but we remain humble as we're learning every day on how we can improve.

Matt: Absolutely. You've mentioned the World Cup a lot of times, and obviously, this World Cup is unique for many reasons. One, it's in November. Normally it happens over the summer. We are in a time of great global turmoil and socio-economic issues impacting different markets, at different scales across the world. Obviously, an event like the World Cup, like the Olympics is a great unifier, bringing people together. It also exposes some of the issues that we have, but there's no debating that there's going to be eyeballs around this, billions of eyeballs around the world. What goes into a decision to have AB and Budweiser participate at such a large level as part of the World Cup? What are some of the discussions that you have to pull the trigger on such a large investment?

Todd: I think the first thing we've been a global partner of the FIFA World Cup for over 30 years is Budweiser. We've proven that this partnership, as you said, can be a huge unifying moment for the world. It's the biggest sporting event in the world. When we talk about building a community and being relevant to our audience, you want to be relevant in their passion points. International football and the World Cup is one of the biggest passion points for a global brand to be able to activate. That's one big reason.

To be honest, we're super excited this year, because now it's going to be our biggest ever global campaign that we've ever launched on Budweiser with the FIFA World Cup, *The World Is Yours To*

Take, I know we'll get into it some more. We're going to be activated in over 70 countries, over 1.2 million POSs around the world. We've got a fully integrated, as we've talked about, full-funnel omni-channel approach on how we're bringing the campaign to life.

Matt: When you activate in 70 markets, obviously you need a through line, which is essentially the brand equity pillars and some of the things that you talked about in terms of the heritage of the brand. Then you have to translate it on a local level. Talk about that process, because I can't imagine the complexities involved in that, where you don't want to have the wrong message in the wrong market to alienate a huge market of consumers. I imagine you trust your agency partners, but is there a process you have in these global executions?

Todd: Sure, yes. This year's campaign is *The World Is Yours To Take*, and it features some of the top footballers in the world. We've got Lionel Messi. We've got Neymar Jr. We've got Raheem Sterling. We've got the cross-section of music. We've got Lil Baby who's remixed the iconic Tears for Fears, *Everybody Wants to Rule The World* track as the official soundtrack for the FIFA World Cup.

The whole idea behind the campaign is, over the last few years, a lot of people's ambitions, dreams have been put on hold. We're using our players, in the metaphor of the players tunnel you'll see in the main film they're in the players tunnel about to step out onto greatness, by telling their story of how they've overcome obstacles and defied the naysayers. We want to inspire everybody, this FIFA World Cup, to really step up and go for it, reach for whatever your greatness is in life to go for it. That's a universal message we feel that can really land globally during this FIFA World Cup.

Then we're also partnering with a lot of our local markets. We're actually bringing over 100 creators and influencers from around the world to Doha to participate in an amazing, BUDX Doha experience over the tournament, and they're going to tell their side of the tunnel. What's been their story of how they've overcome obstacles to really go forward and believe in themselves to achieve great things in life. That's where the local flavor can come in on the local creator and influencers telling the world their side tunnel to really inspire people to go for.

Matt: It's amazing. I think that's really emblematic of how a lot of brands are shifting from a linear broadcast model, although I know that you still get a lot of ROI from large-scale national TV spots. Being able to localize and create content from these creators, I would imagine, is something that allows you to go across the funnel, and also really talk to those audiences in a unique way. How are you looking at the creator economy more broadly, in terms of your forward-looking strategy?

Todd: I think it's a great point. I think you think that one of the things that has accelerated over the last couple of years is the development of this creator economy where influencers, creators have created their audience at a one-to-one level, and now they're monetizing it through launching their own products. You look at the success of a MrBeast, it's unbelievable what he's been able to do.

There's a lot that we need to learn from that as big brands. Back to my point, if we're not building our community, they're going to go elsewhere. We need to provide utility and value through content, through offers, whatever it may be to really keep that community engaged. Also, beyond the big sponsorships, like the Messi's and Neymar's and the creators that we have, we need to find what are those next generation of creators and influencers in this creator economy that we as a brand can help them? How do we help remove barriers to them? Whether it'd be visibility. We have huge brands. We have huge access to talent from a mentorship perspective. How do we as a brand, then

find that next generation and work with them, as well as the same level that we're doing with the big tier 1 celebrities and athletes as well?

Matt: I mean, it's crazy. A friend of mine that's starting a snacks business, a startup, and she said, "If I were to bring in a partner— because she's super into the marketing side of things, "Who should I bring on to give equity to?" I said, "It should be a celebrity or an influencer," because they have the built-in audience and distribution. Over time, if you have to pay for that distribution, it's going to cut into your cost of goods sold, and is going to cut into your margins. Where if you have somebody like you talking about MrBeast, she won't be able to get that big, but anybody that has a built-in audience. That is, in a lot of ways the future of how the new brands are being built.

Todd: I couldn't agree more.

Matt: In that regard, Lil Baby, he's a creator in the more mainstream sense. I found that really interesting that you're partnering with them to basically create, as you guys put it, the official anthem of the World Cup. Are you co-releasing a song with him? How does that work? That's a new model in the music industry that wasn't around 5 to 10 years ago?

Todd: Definitely we released the song together with Lil Baby as a remix of the Tears for Fears, *Everybody Wants to Rule The world*. It's available on all his DSP platforms from Spotify to Apple playlist, all the major players. We partnered with FIFA to make it an official soundtrack for the FIFA World Cup as well.

Then, back to the comment of bringing 100 creators together in Qatar for a big BUDX influencer weekend, Lil Baby will be performing on his birthday in Doha with the creators. We're going to actually recreate the original Tears for Fears music video in Doha at the World Cup with the 100 creators. Ironically, enough, if you Google the original video, they were actually driving dune buggies in the desert. There was a guy drinking a Budweiser. There's a lot of irony coming to play, and we're excited to partner with him, with FIFA, with all the creators. The song's already been released, but now we're going to launch the official music video in Doha together during the World Cup.

Matt: That's amazing. To my comment earlier where that tension between the history and nostalgia of the brand is sort of forward looking that you're tapping into Tears for Fears, tapping into nostalgia; nostalgia's huge. Britney Spears just came out with a remix of Elton Johns. As we're seeing it all the time in music, because that is unifying as well, because you're bringing people who remember that song from the old days like me, and then the new generation that likes the artist. They're like, "Oh, I love this song." Many of them don't even know it's a remix, the younger consumers, and that's totally cool.

Todd: Yes. There's two huge trends in music, you just mentioned it. The nostalgia is one, and then actually artists covering old tracks from back in the day, the new audience hasn't heard before. You see it all the time happening now.

Matt: Diddy was actually the person that I think first came to market with that in the 90s, and now obviously, it's become way more mainstream.

Todd: I was just listening to a Jack Harlow podcast and he sampled Fergie's song that just went crazy. Hearing him talk about how he went through the creative process to sample that and it became what it is today with his career, so it's another example.

Matt: Spot on. We're going to shift gears a little bit to the category you're in general and some of the big trends that you're seeing. One of which is non-alcoholic beverages that's obviously had a big rise. Part of which I believe is, is partly popular with the rise of cannabis use, and cannabis legalization at least in the US. I'd love to hear your thoughts in terms of the non-alcoholic beer market, the growth there, maybe that, and some other emerging categories you're looking to play in as an extension of the Budweiser brand.

Todd: Well, you said it, health and wellness is an unstoppable trend. It's growing everywhere around the world. We're always looking at AB InBev to innovate and deliver solutions for consumers' needs as they evolve. Specific to Budweiser, part of health and wellness is moderation. People are looking for the same great taste as Budweiser but without the alcohol. We've been proud to launch Budweiser Zero in a number of markets around the world. It's in the US. It's in Canada, India, and Europe. It's expanding. We just launched into Brazil. It's doing very well, especially with a younger legal drinking age audience who want this, the same social benefit from gathering with your friends at different occasions, but they don't want the alcohol, so we're offering Budweiser Zero.

To be honest, the FIFA World Cup is a great opportunity for us that we're going to be expanding our presence, not only physically on the ground in Doha, where Budweiser Zero will be made available, but also expanding it into other countries using the FIFA World Cup. There's occasions based on time zones where you're not going to be able to drink our regular Budweiser but you can still have the great benefit of the occasion and the same great taste of Budweiser without the alcohol.

Matt: How are the macroeconomic conditions? Obviously, we're seeing rising costs of commodities, the consumer's facing pressure. How do the macro conditions in a local market impact your strategy and how you step on the gas, either through your retail channels or through your spend?

Todd: Well, obviously, everyone's facing crazy macroeconomic inflation across the board. We work very closely with all of our local markets to make sure that we're delivering solutions against that. I think the first and foremost thing is, you just need to continue to be relevant to the consumer, and offer them the right product at the right time in the right format, and ensure that you're doing that in the most effective way possible. That's why we pride ourselves so much on creative effectiveness, because in challenging economic times, you can prove the return on investment on what you're doing is working. You can scale that to other countries, to other zones, and ultimately ensure you're delivering the right product at the right time to the right consumer.

Matt: Wrapping things up, in heading past the World Cup, although I'm sure you're not looking past it right now, it's probably glaring you right in the face given it is next month, but as we head into 2023, any other big innovations or initiative on the horizon for Budweiser that we should know about? Or just things that you're really looking keenly at?

Todd: I think, obviously, football is a huge passion point for the brand, so post-World Cup, we're going to continue to activate our football community. We have a great partnership with the English Premier League globally, so we're going to continue to really focus on that conversion side of things around the football occasion post-World Cup with our Premier League partnership.

We talked a lot about inspiring that next generation of creators to really step up and go for it. We want to continue with landing that creative idea for Budweiser globally around the world, like our new global campaign, Is Yours To Take. We launched the first equity campaign with Tomorrow is Yours to Take in Q1 of this year with a great partnership with Anderson Paak and seven other creators from around the world. Carrying that through with the World Cup, with *The World Is Yours To Take*. We're just going to continue really to both, not only inspire, but also enable how do we walk the talk, and actually help remove barriers for our audience to ultimately step up and go for it and chase their passions in life? Because that's what Budweiser is about. It's about ambition. It's about optimism, and really inspiring people to go forward in life no matter what are the obstacles that you're facing.

Matt: From what you said, it's really your job to lead that charge for the brand, be a steward of the brand, make sure you're protecting it, and amidst all these tactics and critical goal deployment, and that— I think it's no easy feat, so I admire you for doing it, and congrats on your success, especially with the effectiveness awards which I think are really important for marketers. What many marketers lose sight of is, in this day and age, but now there's tremendous cost pressure, to make sure that as there's business results to spend.

To wrap things up here, we covered a lot of ground, obviously, you're juggling a lot of things. What are some of the things that slow down Todd Allen personally, that allow you to take a step away from the world of beer and Budweiser to get a little bit of refreshment in a mental state for you?

Todd: Oh, first I have two young children. I have a four-year-old daughter, Charlotte, and a two-year-old boy Jack. Trying to spend as much time with them recharges my batteries the most. Then we love to ski in the winter as a family. Charlotte started at two, and I got Jack up for the first time last winter, so excited to get out on the hills with them this winter and just enjoy each other's company with my beautiful wife as well.

Matt: Well, that's amazing. I want to thank you for joining, Todd. It's not every day I get to talk to the head of such an iconic global brand. It's been a joy for me and I know it's going to be a joy for our audience. On behalf of Suzy and Ad, thanks again to Todd for joining us.

Be sure to subscribe, rate, and review *The Speed of Culture* podcast on your favorite podcast platform. Till next time, see you soon everyone. Take care.

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