

## "Success with spirits. How to leverage the power of marketing for your spirits business"

By: Curt Sassak, President of Winetasters Choice, Writer for the Food and Beverage Industry, Former Award-Winning Executive Chef

### Overview:

This article will detail the current state of the spirits industry and trends, available marketing opportunities, the benefits of a strategic in-store tasting program, strategy for off-premise tastings, improving your success and avoiding failure, and how to get the most out of your off-premise tasting investment.

According to the Spirits Business, money spent on alcohol advertising is expected to return to pre-pandemic levels in 2023, following a double-digit drop last year\*

Current trends in 2023: Continuing a trend that has held fast for the last 15 years, premiumization continues to impact the industry.

Consumers want to know that their hard-earned dollars are purchasing high-quality ingredients, and they are more invested in brand stories – an emotional connection with the who, what, where and why of how the product is made. Initiatives such as DEI (diversity, equity, and inclusion) and sustainability are beginning to pay dividends to the brands that have woven these authentic journeys into their marketing.

Sustainability is more than a buzzword in the alcohol beverage industry these days. 73% of consumers claim a willingness to pay a premium for sustainable beverage options, with that number only climbing among the younger demographic\*\*

Bourbon has been on an upward growth trajectory and continues to grow year-on-year in both volume and value, even during the pandemic\*\*\*

### Marketing Opportunities:

There are many different marketing strategies that a brand in the USA can implement, depending on its target audience, goals, and budget. Here are some common marketing strategies used by brands:

1. Tasting rooms and events: Tasting rooms provide a physical space for customers to taste and purchase wine, and events such as winery tours, dinners, and music events can attract customers and build brand loyalty.
2. Direct-to-consumer sales: Selling wine directly to consumers through an online store or wine club can be an effective way to build customer relationships and increase sales.
3. Social Media: Platforms such as Facebook, Instagram, and Twitter provide opportunities to engage with customers, share photos and videos, and promote events and new releases.

4. Email marketing: Email marketing can be a cost-effective way to reach customers with newsletters, promotions, and special offers.
5. Influencer marketing: Partnering with influencers such as wine bloggers and social media personalities can help increase brand awareness and reach new audiences.
6. Public relations: Working with media outlets to secure coverage of the winery and its products can help build credibility and increase brand awareness.
7. Advertising: Advertising in print and digital media, as well as outdoor advertising such as billboards, can help reach new audiences and build brand awareness.
8. Search engine optimization (SEO): Optimizing a winery's website for search engines can help increase visibility and drive traffic to the site.
9. In-store sampling: In-store sampling is a marketing strategy that involves offering samples of a winery's products to customers in retail stores, such as wine shops and grocery stores. This strategy can be effective in introducing new products to customers and encouraging them to try and purchase the wine.

In-store sampling can be particularly effective for wineries that are looking to expand their distribution and reach new audiences. By offering samples in a retail store, wineries can introduce their products to a wider audience and potentially attract new customers.

#### Drive Revenue with Quantifiable Results:

In-store sampling provides several positives that other marketing strategies can't provide:

- Improve brand recognition.
- Build brand loyalty.
- ROI that can be tracked.
- Increase top-of-mind awareness of your brand.
- Tastings are the beverage equivalent of a car test drive. The customers get to taste it.
- Build store relationships. Tastings help the stores move products. It's also a show of support from the brand/supplier to help the store sell inventory.
- Help with future products. Stores won't take on a supplier's new products unless the older products are selling. Help the store sell, and they are more open to bringing on new SKUs!
- Theater for the store. Tastings create activity and fun guest interaction.
- Customer loyalty. Promoting new products generates interest, which brings customers back.

Final word: Patience and consistency are the keys to a successful off-premise promotion.

A quick analogy to a gym membership is appropriate. When you join a gym with the goal of changing your body it takes time. You don't see results in 1 week or 1 month and sometimes not in 3 months. Change takes place over time. A commitment to in-store sampling means investing marketing dollars, time, patience, and the right mix of markets, wines, stores, and sampling agencies.

#### Success or Failure:

There are several factors that can impact your off-premise sampling, this list is not exhaustive:

- Low inventory. Sometimes your product isn't shipped, or not enough is shipped.
- Poor store selection. Pick stores and markets that are a good fit for your product.
- Not giving the sampling agency enough product information, or not providing that information in a timely manner.
- Insufficient amount of lead time to adequately prepare for the in-store sampling.
- Smaller, independent stores are generally (though not always) as good as larger retail chains for demos. They tend to have very loyal customers and staff knowledgeable about their wines.
- Weather. Texans are more seasonal drinkers. If it's cold out, sales of white wine may be low. If it's hot, sales of red wine may be low. Weather does not seem to affect the sales of spirits as it does wine.
- Experienced, engaging, and professional wine brand ambassadors are the key to great in-store sampling.
- Proper display of products and in-store locations where traffic is highest helps the prospect of success.
- Key data points reported out to the winery like, the number of samples given per wine, number of bottles sold per wine, store traffic, time of day, starting inventory levels, retail prices at store levels, any promotional deals offered, stand-alone displays are among the essential pieces of information for a winery to judge success or failure.
- For brands looking to expand into new markets, introducing a new label, or restoring a lagging label consider adding in-store sampling to your marketing budget.

#### Conclusion:

In-store sampling is the most cost-effective marketing effort, it produces measurable ROI and can expand your brand's customer base, build loyalty, and improve top-of-mind awareness of your label in the consumer's mind.

Most importantly, off-premise sampling provides consumers with an interactive introduction to your wines and when properly described and sampled can result in new customers, improved retention of existing customers, and if successful increase shipments following.

To learn how to get the most out of your investment in off-premise sampling reach out to [curt.sassak@winetasterschoice.com](mailto:curt.sassak@winetasterschoice.com)

\* <https://www.craftederp.com/2023-alcoholic-beverage-industry-marketing-trends>

\*\*<https://bevalcinsights.com/bevalc-insights-2023-bourbon-forecast/>

\*\*\* <https://www.thespiritsbusiness.com/2021/05/alcohol-ad-spend-to-hit-6bn-by-2023/#:~:text=Money%20spent%20on%20alcohol%20advertising,double%2Ddigit%20drop%20last%20year>