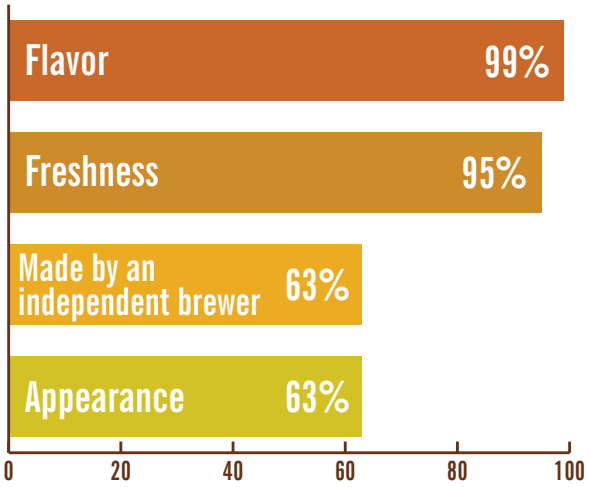
Craft Beer from Craft Brewers Boosts Off-Premise Sales & Profits

"America's craft brewers are riding a wave of success: ever-expanding craft beer sections in supermarkets, craft beer festivals in most major cities and even university programs in the art and business of making craft beer." – *Wall Street Journal*

WHY CRAFT?

HOW IMPORTANT ARE EACH OF THE FOLLOWING WHEN CHOOSING A CRAFT BEER?

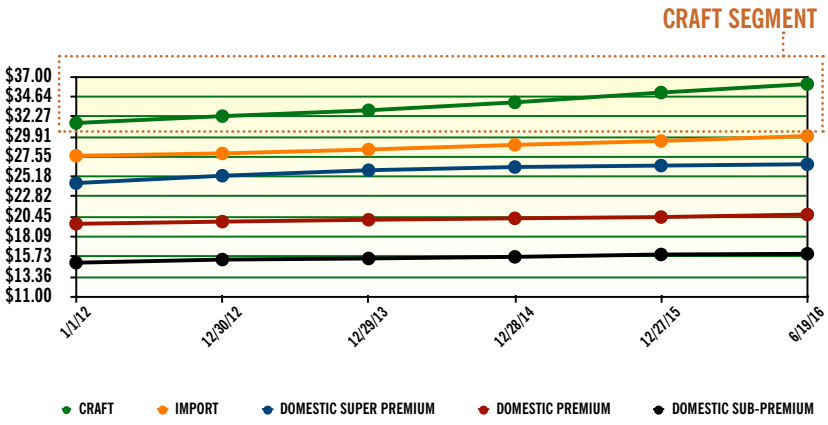
2016 Nielsen Craft Beer Consumer Survey



WHY NOW?

THE CRAFT SEGMENT CONTINUES TO BE THE PRICING LEADER IN THE BEER CATEGORY

Avg price price per case in USD



COLD STORAGE IS KEY TO CRAFT BEER SALES

Respondents to the 2016 Nielsen drinker panel were asked:

HOW IMPORTANT IS IT FOR BEER TO BE COLD?

68% say it's somewhat or very important

WHY?

59% say I want to enjoy the craft beer within the next 24 hours

55% say beer stays fresh longer when kept cold

SMALL/INDEPENDENT IS LINKED TO CRAFT

56%

of craft beer drinkers say they associate the terms small and independent with craft beer

Data is year-to-date July 2016

This data provided by IRI which tracks sales for craft brewers within U.S. multi-outlet and convenience channels.
Visit their website at www.iriworldwide.com. For IRI, contact Dan Wandel, at 312.474.4947 or daniel.wandel@infores.com

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OFF-PREMISE PRESENTATION SHEET

The Value of Beer From Small and Independent Craft Brewers

- Each craft brewer has its own unique story, packages, and flavor profile and your shopper wants to hear about all of it.
- Having a good craft selection **elevates** the shopper's perception of your entire store.
- The craft shopper brings **more dollars** and increases your average total market basket ring in your stores.
- Craft brewers have authentic connections to a very loyal customer base.

Why Craft?

- Consumers choose craft for freshness, flavor, appearance and because it's made by an independent brewer
- While most of the beer category continues to trend flat or down, craft beer is a bright spot, recording high percentage changes YA in both case sales and dollar growth.
- Beer drinker demand continues to accelerate for small and independent craft brewers.

Why Now? (What's in it for you?)

- The craft segment continues to be the pricing leader for the beer category with the highest average price per case.
- This chart could also explain a correlation between pricing and margin; craft is the highest margin beer category. Please remember that high margins = higher dollars = higher register rings. You put cash in the register, not margin.
- Finally, look at the growth of craft pricing over time, from $31.54 in January 2012 to $36.15 in 2016, versus the growth of any other category on the chart—craft has enjoyed the highest growth.

Did You Know?

- This is designed to be a helpful fact sheet about the craft beer segment as it relates to its sales performance in total U.S. supermarkets.
- As today's beer consumer continues to seek out variety, the craft segment offers the most beer styles of any beer segment. Retailers should be stocking an abundance of seasonal craft beers for their consumers.
- American Craft Beer Week will be celebrated by beer drinkers all over the country, May 15-21, 2017. Learn more at CraftBeer.com/ACBW.
- Check out CraftBeer.com as a resource for you and your customers.
- Makers of craft beer are referred to as craft brewers. An American craft brewer is small (makes less than 6 million barrels of beer a year), traditional and is independently owned. For a full definition visit BrewersAssociation.org.

Profit Comparison Tool

	6 Packs		12 Packs	
Brand	**Craft**	**Premium**	**Craft**	**Premium**
Retail Price/Cost				
Wholesale Price/Unit				
Gross Profit/Unit				
Units/Month (Optional)				
Monthly Profit (Optional)				
Annual Profit (Optional)				

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