Growing Your Brewery in a Post-Pandemic World
Welcome!

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Setting the Stage

• 2020 spurred innovation & improvements across the industry
• We can’t just go back to the way things were in 2019
• What are the major trends and how can you embrace them to move forward & grow?
Diversifying Product Offerings
Growth of New Segments

SELTZER  CRAFT SPIRITS  NON-ALCOHOLIC  KOMBUCHA  RTD COCKTAILS
The Rise of Seltzer

$4.1B in seltzer sales in 2020

Source: Nielsen
Breweries are Embracing Seltzer

28% of Ekos customers are already making seltzer

31% of Ekos customers plan to add another product (like seltzer) in the next 2 years
**Consumer Tastes Are Changing**

- Want health-conscious options
  - Low cal, allergy-friendly
- Care about transparency & ingredient quality
- Non-alcoholic segment grew by 30% last year
  - Athletic Brewing raised $17.5M in Series B round
- No longer loyal to one type of alcohol
  - 75% of seltzer drinkers also buy & drink beer
New Packaging Types
Growth of Cans

- Off-premise sales increased in 2020 & popularity of cans skyrocketed
- Draft sales will not bounce back right away
- Aluminum can shortage
  - If you can’t get cans, consider other options: different sized cans, crowlers/growlers, glass bottles
Popular Beer Formats in 2020

- 6-pack can
- 12-pack can
  - 47% growth YoY
- 19oz can, single
  - 85% growth YoY

Source: Brewers Association
Ecommerce is Here to Stay
10 years of ecommerce growth in 3 months

Figure 11: E-commerce trends in alcohol
Explosive growth in COVID-19 period

Note: “FMB” stands for flavored malt beverage.
Source: Nielsen/Rakuten Intelligence
Growth of Alcohol Ecommerce

Beverage alcohol ecommerce grew by 42% in 2020 to $24 billion

US forecast to overtake China to become world’s largest beverage alcohol ecommerce market by end of 2021

Source: IWSR
How to Grow Online Sales

1. Look at current customer behavior
2. Invest in the right technology partner/provider
3. Understand your production capacity
4. Consider beer clubs & allocations
5. Develop a campaign to reach customers
6. Evaluate success & make changes
Focus on Younger Consumers
Millennials & Gen Z

Millennial & Gen Z buying power is increasing

Millennials expected to grow spending 10% over the next 5 years

Gen Z expected to grow spending 70% over the next 5 years
Millennials & Gen Z

- Lower discretionary income
- Health-conscious
- More ethnically diverse
- Passionate about social causes
Brand Values & Transparency

- Sustainability & the environment
- All about the experience
- Social good & community investment
- Diversity, equity & inclusion

83% of Millennials want brands to align with them on values
Marketing to Young Consumers

Gen Z attention span is less than 8 seconds

- Share your values
- Be transparent
- Form a real connection
- Digital media is key!
- Provide education, fun, & entertainment
Value of Technology
Technology is Essential

• No longer a nice-to-have, but a requirement
• Ecommerce tech growth spurred by the pandemic
  – Drizly doubled its online retailers & was acquired by Uber for $1.1 billion
• Tech allows you to do more with less resources
Connecting the Supply Chain

RAW MATERIAL SUPPLIER → CRAFT PRODUCER

DISTRIBUTOR
SELF DISTRIBUTION
ECOMMERCE/CLUB
TAPROOM/TASTING ROOM
RETAILER
CONSUMER
Recap: 2021 Industry Trends

- Diversifying products
- New packaging
- Changing demographics
- Growth of ecommerce
- Focus on technology

Want to learn more? Visit GoEkos.com to download our latest white paper
Q&A
Thank you!