

Best Practices At Homebrew Retail



Antitrust Guidelines for Meetings

We cannot discuss any of the following topics:

- Prices, pricing procedures, margins, what constitutes a fair profit level, changes in or stabilization of prices, terms or conditions of sale.
- Pricing practices of any industry member.
- Forecasts of price increases or decreases.
- Specific credit terms, discounts, rebates, freight allowances, profits, profit margins or costs, market shares, allocation of markets, any limitation on sales, sales territories or distribution practices.
- Selection, rejection, boycott, refusal to deal with, or termination of any suppliers or customers.



Speakers

- **Jake Keeler** | Moderator | AHAGC Industry Sub-Committee Chair | Director of Marketing Brewers Supply Group.
- **Larry Clouser** | Panelist | California-North Territory Sales Manager: CA, OR, HI - The Country Malt Group – Brewcraft USA
- **Chris Opela** | Panelist | Sales Manager - Brewmaster, Inc.
- **Juno Choi** | Panelist | BSG HandCraft Marketing Manager - Brewers Supply Group
- **David Stuart** | Panelist | National Sales Manager – LD Carlson



Agenda

- **How to Attract New Customers** – Juno Choi
- **Building Relationships & Customer Service** – Chris Opela
- **Products: Quality, Display, and Rotation** - David Stuart
- **Education** - Larry Clouser
- **Q & A**



How to Attract New Customers

Juno Choi – Marketing Manager – BSG
HandCraft



Attracting New Customers

The 2015 AHA Homebrew Shop Survey indicates that shops are experiencing slower growth than in previous years.



Attracting New Customers

Be PROACTIVE!

What are you doing to bring in new customers to your retail store?

Successes and Failures but... try, try, and try again.

Plan, set goals and track them.



Attracting New Customers

Example 1 - Host a FREE class targeting potential new customer groups.

- Free is a BIG incentive and will get people in the door. The more people in the door = sales.
- Yes, you can still have paid classes.
- Paid classes tend to attract current customers or customers already in the hobby.
- Market these free classes to different groups.
 - Think woodworkers, BBQ clubs, coffee aficionados, church groups, Rotary Clubs, or even your neighbors.



Attracting New Customers

Example 2 – Get in front of a wider audience. Get on TV.

- Local media outlets are typically starving for interesting topics to feature on their programs.
- Beer is in! Homebrewing is still hot.
- Be specific. Make sure what you are pitching to them is based on an event and timely.
- Gather media contacts and send away.



Attracting New Customers

Example 3 – Diversify your product mix. Determine what customer segments you aren't serving properly or aren't serving at all and look to cater to them.

- Beer only? Try catering to winemakers.
- Cheese, coffee, kombucha, fermented foods?
- Not sure of your expertise in those areas? You have friends.



Attracting New Customers

In conclusion

- Slower industry growth means YOU need be PROACTIVE
- Constantly try new ideas.
- Target different groups or even localities to bring new customers in.
- Get your business exposure by getting featured on TV or in the newspaper.
- Identify customers segments you aren't serving and look to cater to them.
- Handout available with 15 ideas to get you thinking about attracting new customers.



Building Relationships & Customer Service

Customer Experience

- Create a quality “Experience”
- Listen to the customer
- Inform and educate them
- Develop skills to maintain interest
- Make the store a destination, customers want to share stories



Building Relationships & Customer Service

Technological Tools

- Use email marketing tools
 - Collect metrics
 - Send early on Mondays
 - Use A/B testing
- Take advantage of POS/CRM programs
 - Create data for later analysis
 - Order frequency, DPI, lapses in purchasing
- Industry resources
 - Quarterly and Annual surveys



Building Relationships & Customer Service

Summary

Merge positive customer experience
with useful technological tools –

Create a Win for the customers,
and a Win for the shops



National Homebrew Conference 2015

San Diego, CA

Quality Retail Store Sets and Displays

David Stuart
National Sales Manager
LD Carlson Company



Overview of Store Retail Experience

- Today's competitive retail market demands a quality retail presentation
- Your selling floor should be: clean, organized; with proper signage, spacing and lighting
- New stores benefit from a blank canvas – should determine what to emulate and avoid
- Existing stores need to a step back and evaluate what needs to be overhauled and what needs tweaking
 - take a look at store footprint with fresh eyes
 - create a store planogram with goals for implementation







Why Reset Store Layout

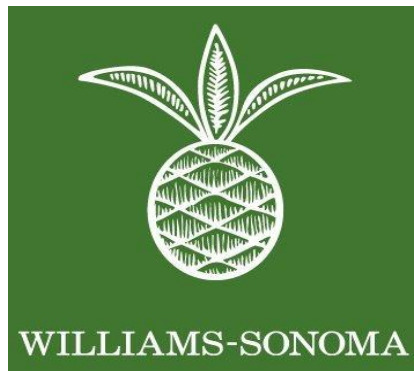
- To compete with National retail chains who are pros at store sets - optimizing customer flow and product placement to maximize sales
- So Homebrew retail can compete with professional retail
- To focus on customer's needs not yours
- To combine customer shopping ease & product placement
- To emulate grocery store resets concept
- Who is your competition?





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Store Set Strategies

- Entry way clear with 10 foot buffer
- Flow movement to the right
- Power wall to the right
- Make them walk past steaks to get milk
- Small/high-priced items near the register
- Taller shelving along the perimeter
- Lower shelving in the center for site lines
- Window displays clean, minimal, changing











Product Arrangement

- Beginner area
- Deconstructed equipment & ingredient kits display
- Product categories arranged by genre
- Permanent placement product area versus rotating feature areas
- Double product displays
- Draft center
- Books, brochures, and publications for ready reference
- Impulse items near register but do not overcrowd register counter
- Quality grain display or dedicated room a must





The craft brewing process involves all kinds of technical and scientific knowledge to create our excellent products. These different processes require specific brewing water products, technical equipment, and more. The following steps are taken in the manufacturing process of our craft beer.

Brewing Process





Product Presentation & Rotation

- Fresh product key with today's educated consumers
- Rotate stock first in first out
- Hold back new product or packaging
- Zero in on your min-max inventory levels
- Have most of your average customers shopping list
- Clean product areas regularly
- Label professionally and with a standard



Register and Mill Placement

- Open space near register for flow
- Mill out of way, minimize dust
- How many registers you need corresponds to check out wait times
- How many mills you needs corresponds to volume of maximum usage times
- If you think your customers like waiting in line, they don't







Retailer Creative Ways to Extend Business

- Classes and Workshops area within the store
- Brewery tap room / store combination
- Winery tasting bar / store combination
- Coffee Bar
- Play area for kids















Education

What is education?

- Education is the opportunity you get to show others how it is done and get them **excited!**
- **AHA Events**
- **Classes/Functions not associated with AHA events**
 - Offer classes for all product lines: Wine, Kombucha, Vinegar, Coffee, Soda, Cider, Mead, Distilling, Product Specific, DIY, etc.
- **Community Events/Workshops**
- **Homebrew Club***
- **Every day in the store**
 - Every customer interaction is an education opportunity when they ask a question or you ask them a question!



Education

Think outside of beer!

- **Diversified classes on all types of fermented beverages/offerings.**
 - What products or product lines does your store offer that you are not currently talking about, demonstrating or holding classes on?
 - *Approximately 90% of all cider customers are new.

Do you offer different levels of classes?

- **Important to have beginning and advanced classes.**
 - Show them how easy it is to do so they can do it.
 - Get them excited!
 - If you try to cram too much in one class it will scare them away.



Education

Education – Beginning Classes

- **Important for bringing in new people.**
 - This is your chance to get them excited.
 - Potential is huge for every new person.
 - High potential of sales (starter kits, equipment, recipe kits, etc.)
- **More important to show they can do it rather than every minute point.**
 - Don't scare them away when they are new.
 - Show them they can do it and get them excited.
 - Offer continued help in the store.



Education

Education – Advanced Classes

- **Important for customer loyalty**
 - Advanced classes are for helping your customers grow and expand.
 - Keeps customers coming back looking to you as an expert.
 - Happy advanced customers lead to referrals to new homebrewers.
- **Opposite of beginning class, pay attention to detail and specifics.**
 - They are there to be challenged so cover the details.
 - Offer resources.



Education

Education – Classes

- **Goal should be not to make money on classes but to charge for them so they come & are serious/see value.**
 - Separates serious people from someone just looking to kill time.
 - Fewer/no cancellations.
 - Fills classes.
- **Offer gift card to use in store the same day.**
 - They feel committed to buy something.
 - Perceive even more value in class.
 - Prevents procrastination in starting.
 - They don't want to waste it.



Education

Education – Community Events/Workshops

Does your community have festivals or events you can be part of?

- Breweries, wineries, cideries, meaderies, distilleries, etc.
- Arts & Crafts fair
- Festivals
- Fundraisers
- Looks for events that attract DIY type of audience.



Education

Education – Homebrew Club

Homebrew clubs are one of the easiest ways to offer education and perceived value with customers

- Is there an existing homebrew club in your area?
 - If not, start one.
 - If so, offer up help or services (discount programs, use of store equipment, etc.)
- **Sponsor them**
 - Allow them to use space for meetings.
 - Assist with training/education for the club.
 - Let the members run the club after it is set up.
 - Brings people in the door.



Education

Education – Everyday!!!

Every contact with a customer is an opportunity!

- **Talk to your customers.**
- **Ensure staff is trained/knowledgable.**
- **Ask questions.**

Every customer that you don't talk to is a missed opportunity and a possible missed sale!



Q & A



You haz questions?



Thank you
for coming!



HomebrewersAssociation.org