SPIRITS

Value-Driven Package Implications

While consumers are increasingly price-conscious, they will spend on brands offering experiences they perceive add more value. This is especially pertinent for spirit brands that incorporate the following trends:

More Value, Less Money. While consumers' limited discretionary spending may restrict travel and dining out plans, they will indulge in experiences where the total purchase costs them less but gives them more for the money – such as enjoying premium spirits at home or for dinner parties.

Better for you. Consumers value clean ingredients in their alcoholic beverages and often select low- or no-alcohol alternatives to support their wellness-driven lifestyle.

ESG matters. Brands that embrace environmental, social, and governance (ESG) principles as part of their overall sustainability mission are more appealing to consumers.

Focus on Formats. Consumers value convenient and fun formats that provide sampling opportunities and portability.

Given these factors, many spirit brands are building their packaging strategy to resonate with value-driven consumers and drive long-term brand loyalty.



Driving Private Label Loyalty with Spirit Drinkers

As consumers trade to less expensive brands to get more for their money, private-label spirit brands can compete with their name-brand counterparts by offering high-quality products without the costly price.



Retailer Target recently launched its <u>Casa Cantina</u> private-label brand available at a lower price than similar premium pre-mixed cocktails, making it the perfect alternative for consumers who want to indulge at less cost.

Mindful Alcohol Consumption: Low, No, and Greater Control

Consumers will prioritize spirit brand purchases that provide transparency regarding product formulas.





<u>Gradient Vodka Soda</u> is available in a convenient can that emphasizes easy-to-read on-pack messaging communicating its different levels of alcohol content per pack (the multipack varies from 7 to 6 to 4 to 3%).

In limited countries, Amazon launched Bowmore, its first private-label whiskey, which leverages on-pack messaging to communicate its premium ingredients. In addition, <u>Bowmore</u> packaging embodies a premium look and feel, housing its whiskey in a glass bottle. <u>Amass Riverine</u> is a distilled nonalcoholic spirit that contains traditional gin botanicals, but without the alcohol content. It's packaged in a beautiful bottle, which provides transparency around its clean ingredients.

Consumers Get in the Spirit for Brands Embracing ESG

Spirit brands prioritizing ESG principles will drive growth.



<u>AIR Company</u> uses its on-pack label to disclose the process for making the "world's first carbon-negative vodka." In addition, the vodka bottle is made of glass which is 100% recyclable.

<u>Grey Whale Gin</u> uses a 100% biodegradable bottle cork and organic paint. And when the gin bottle is empty, consumers can send it back, and the brand will upcycle it into a candle, with proceeds from candle sales supporting ocean conservation efforts.

Consumers Still Value Premium

Packaging formats are available for brands that want to reach consumers who limit discretionary spending but are still willing to indulge in premium spirits.





<u>Procera's Green Dot Vintage</u> is packaged in a distinctive but simplified glass bottle, a material perceived as premium by consumers, to achieve a high-quality look and feel.

<u>Ysidro</u> is made with super-premium ingredients packaged in a fun and convenient aluminum can format. Ysidro communicates on its packaging the premium quality of its sake and the sophisticated taste and complexity from its ingredients.

BUILD YOUR SPIRITS PACKAGING STRATEGY WITH TRICORBRAUN

TricorBraun is available to help spirit brands develop a packaging strategy that reaches value-driven consumers. We deliver quality, cost-effective packaging solutions driven by consumer insights to differentiate your packaging and facilitate meaningful experiences that drive sales, generate brand loyalty, and increase market share.



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