

The Craft Beer Explosion

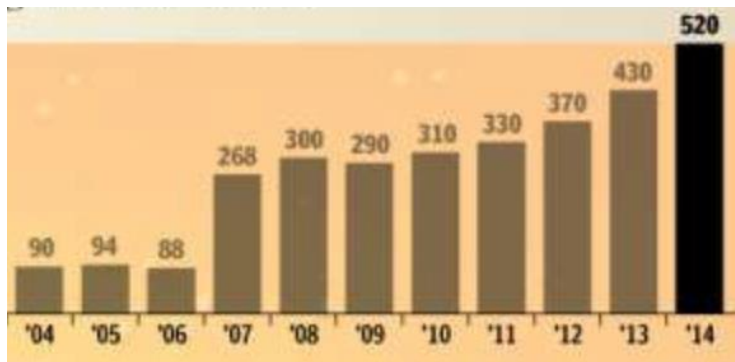


A decade ago, there were fewer than 100 breweries across the country. Today there are more than 500. Of these, 350 produce less than 20,000 cases of craft beer annually. For these craft breweries, small quantities allow them to use superior products, and maintain high quality standards, but present some significant logistical problems without the economies of scale large breweries enjoy.

We spoke with Josh Hayter, VP of Business Development and Covert Ops at Spearhead Brewing Company to find out more. “The new wave of craft brewers are very business and marketing savvy. They know that with a niche market, they need to stand out. Yet budgets are limited – not just for marketing, but for production. Many companies are using contract breweries, when they don’t need a fulltime production facility. Standing out can be a challenge though, when liquor control boards demand fairly uniform container sizes. Shrink sleeves on tall-boy cans allow them to adhere to regs, while using off-the-shelf cans. Having Econopac apply a variety of sleeves to blank cans allows purchasing economies, even with small runs. And of course it enables them to stand out.”

We’ve seen the wine industry using sleeves for a while, especially with coolers. The shift to craft beers in shrink sleeves is a natural extension of that – a very familiar look to consumers, with maximum visual impact. With the added benefit of same sized cans, but multiple SKUs.

Recent market studies show that both men and women 25-35 are now more likely to buy a six-pack of their favorite craft beer, than a case of the beer they grew up with. So far, increased price has not been the decision factor – it’s been availability. Smaller runs mean limited shelf time. Hayter explains: “This is where establishing a strong brand across the full line of craft beers is essential. If they love your IPA, they may be eager to try your pilsner – provided they recognize it on the shelf. Again, standing out is paramount.”



Number of Craft Breweries in Canada (source: Globe & Mail)

Hot Food & Beverage Trends

A 2016 Chef Survey has just been released, where restaurateurs across the country rate the biggest trends they see for this year:

1. Craft Beer (this is backed up by recent sales data from LCBO indicating a 26.6% increase since 2013!)
2. Charcuterie/house cured meats
3. Ethnic sauces
4. Locally sourced foods
- 5 Food smoking

More than 500 professional chefs responded to this survey, which placed craft beer on top for the second consecutive year.

March Break

To students and their families, it's the time to get away from school. But to companies executing Back To School promotions for the fall, it's time to start planning. Let us help you design cost effective promotions that stand out. Give us a call today to get us working on ideas for your fall campaign.