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Empire Brewing Company

David Katleski Raising the Bar on Agritourism

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MOBILE APPS FOR BREWERIES: DO YOU NEED ONE TO BE COMPETITIVE?

By: Alyssa L. Ochs

Across many different industries, there's been a huge digital shift from desktop to mobile in terms of how we get our information and stay connected. So it's really no surprise that this movement has extended to the craft beverage industry in recent years as well.

Local, national, large, and small breweries across the U.S. have developed mobile apps to engage consumers, provide relevant updates, and manage internal operations. In this article, we will discuss what mobile apps can do for your brewery and whether developing one is a smart move for your business.

A Brief History of Mobile Apps

The history of mobile app development dates back to the early 1990s, when the very first smartphone was introduced by IBM for general use. The apps at work here were things like a calculator, world clock, and calendar.

Apps became more sophisticated in the early 2000s when the BlackBerry Smartphone was released and featured wireless email. Modern apps have become highly sophisticated, which has led many breweries to hire technical consultants and

mobile app specialists to professionally develop, manage, and update apps for them.

Importance of Mobile Apps in the Brewing Business

In general, apps are attractive options for consumers and businesses because they're easy to access, streamlined, and user-intuitive. But in the craft beer business, apps take on a particularly special meaning.

In an interview with Nick Cromydas, founder of New Coast Ventures, which develops mobile apps for breweries, he pointed out, "The target audience for the craft beer industry includes a lot of tech-forward folks, people who love mobile technology and software."

Rob Kennedy, co-founder of Brewers Marketing and Daruma Tech, told *Beverage Master Magazine* that brewers' apps must go beyond basic functionality like beer directories and event calendars. "There are some apps that take advantage of the mobile device hardware such as the camera, GPS, Bluetooth receiver to offer unique and more engaging experience for users," he said. "These mobile apps have the potential to offer features of value to brewers and consumers which will increase end user adoption and usage."

When *Beverage Master Magazine* interviewed Victory Brewing Company's founder and brewmaster, Bill Covalleski, he shared that they sought a way to connect fans with Victory beers in real-time when they launched their app in 2011. "Our Victory BeerFinder app uses GPS to locate the closest Victory beer brands available on an individual level. It also offers Victory Brewing event suggestions," Covalleski said. "The website gives this same information but one needs to enter their desired zip code as opposed to allowing the app to use your mobile location to search."

Yet other breweries have their own reason for creating mobile apps. Dave McLean of Magnolia Gastropub and Brewery in San Francisco told us, "We wanted a more focused interface compared to our regular website that could give people easy to read, live beer menus for our two locations as well as complete list of all of our beers, some social links, etc."

Local Brewing Company in San Francisco told us that their primary motivation was to help customers keep up with their long list of rapidly rotating beers and help them choose one to enjoy. "So, after years of talking with our customers and our outside accounts, we decided to create a backend CMS as a part of our website that allows us to display a live list of beers we currently have on tap at the brewery, as well as a custom curation tool to allow customers to filter the beers we have on tap based on a few baseline parameters," said Regan Long, co-founder and brewmaster. "We rank each of our beers from 1 to 10 on three parameters – hoppiness, alcohol content and complexity – and customers can use this curation tool to filter beers that best match their desired profile."

Brewery Apps for Brewery Customers

With more breweries jumping on the mobile app bandwagon, more consumers are raising their standards and expecting breweries to have mobile responsive design for their websites and engage in the mobile app space in some way. Mobile apps help beer consumers connect with their favorite beers while on the go, but the challenge lies in convincing consumers that your app has enough value to warrant a download.

Examples of some breweries that have used mobile apps to connect with their customer base include Founders Brewing Company, Local Brewing Company, Magnolia Pub and Brewery, Braxton Brewing Company, Victory Brewing Company, and Schafly Beer. One of the best ways that breweries can use mobile apps is to engage consumers to find restaurants, bars, and stores to buy their products. Founders Brewing in Grand Rapids, Michigan, for example, has an app designed for this purpose.

In an interview with Founders' creative manager, Rick Fortier, he explained to *Beverage Master Magazine*, "While we had a tool on our website that helped locate beer, we felt that a mobile app would better serve our customers as they often have their mobile devices on them. The app uses GPS to make finding beer that much easier as it relates to your exact location, which our website does not – it requires manual location entry."

Apps can also help consumers learn more about what products are offered at any given time and the ingredients used to brew them. This is a way to

keep up with new releases and seasonal specialties in real time.

Some breweries have experimented with creating interactive menus and complete guides to their beer that go beyond the website offerings. Since choosing the perfect beer can be a challenge, some brewery apps go so far as to help customers choose one to suit their taste and mood. Local Brewing Company is a good example of this.

If your brewery hosts events or participates in festivals, apps can provide updates about these types of occasions too. And with apps like Payyus, breweries can develop branded mobile apps for their customers' mobile devices to streamline payment at the tap room while also pushing ads and notifications to get the word out about products and events.

Yet breweries are well aware that most beer drinkers don't want to download 10 apps for their 10 favorite breweries on their smartphone. "By design, we integrated our curation tool into our website instead of creating a native app," Local Brewing Company's Regan Long told us. "Only a select few

of our customers indicated they'd be invested in a native app, but many said they'd like to play with a tool like this if it were integrated into our website."

Craft Beverage Mobile Marketing

Although good old fashioned advertising campaigns still have value in the craft beverage industry, it's becoming essential to go digital (at least in part) to stay competitive in the ever-crowded brewery market. It's a good idea to start with a website, or at least a social media page, to get started before diving into the complex world of mobile apps and investing in advanced technology.

But as with any type of advertising, the key is to study and understand your customer base to assess consumer needs, wants, and expectations. Once you do this, you can begin to adjust in-house promotions and incentives based on customer behavior. It's important to keep up with frequent messaging to secure engagement, but also not overwhelm or bombard your audience to drive them away.

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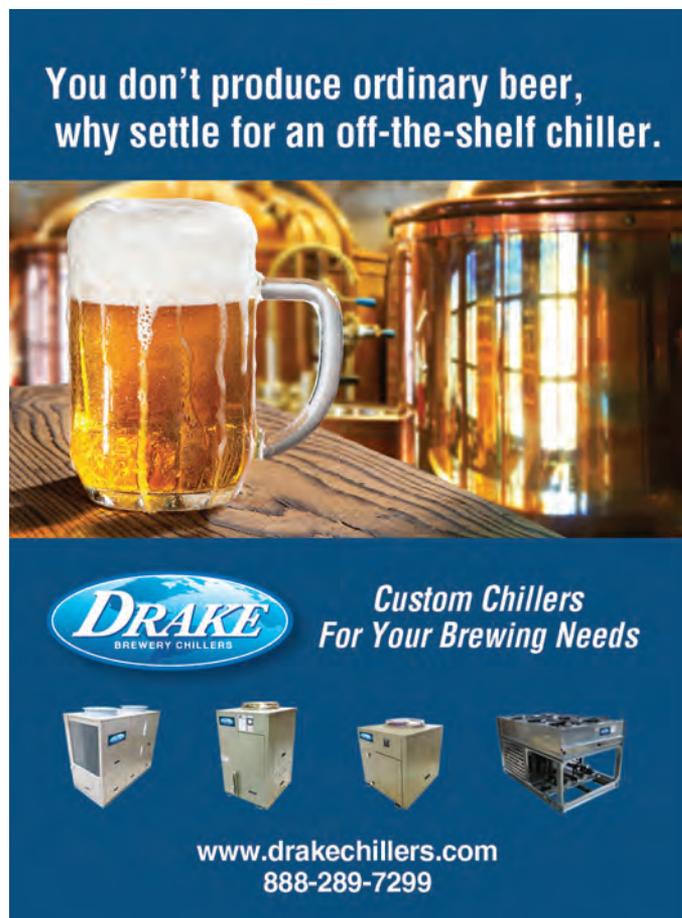
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(Continued From Page 10)

One strategy that has worked for some breweries is to get listed on popular third party apps, like Brewery Passports and BeerMenus. By partnering with breweries, these apps expose your brand and brews to consumers who may have otherwise never discovered what you have to offer.

We spoke to BeerMenus' co-founder Eric Stephens who told us a bit about the brewery-specific side of things for their app.

“In order to ensure that their accounts are pushing correct information out into the world, breweries can manage the information about their beers—style, ABV, description, logo, etc. on BeerMenus. Breweries just need to find their brewery page on BeerMenus and click “Claim this brewery” or reach out to us at support@beermenus.com.”

Stephens' app also powers beer finders for breweries, like the Brooklyn-based nomadic brewery, Grimm Artisanal Ales. “This is something that has never really existed before in the beer industry: a real-time beer finder that tells you where you can go get the individual beer you want right now,” he said.

To entice consumers to download your app, you may need to offer a first-time reward for downloading it and occasional future rewards so that your app doesn't get deleted moments later. Enabling conversations with hashtags to encourage feedback is another common mobile marketing strategy. Breweries can also choose to highlight the expertise and passions of individual brewery staff members for a personal touch.

Founders Brewery, for example, has a “rate it” feature on the taproom portion of its mobile app. “Visitors to our taproom can rate their taproom experience, and more importantly, individually rate taproom one-off beers,” explained creative director Rick Fortier. “Our taproom is our testing ground and to be able to get feedback from our customers is invaluable. Our production team actively looks at this feedback each month and much of it could influence what you see next in a packaged release.”

Brewery Apps for Internal Operations

Most people think of brewery apps as a consumer-focused endeavor, but some apps can actually

help breweries manage their businesses as well. Apps can alert your staff about important brewery events on their mobile devices and manage approval tasks at all levels of management. Other opportunities here include managing daily tasks, inventory and stock, customer contact information, and sales quotes and orders.

Companies like Orchestrated Beer go beyond just mobile apps and offer an all-in-one business management software system to help streamline the brewing processes. For newly established breweries or new brewers hired to work in existing breweries, mobile apps can even offer guidance and support through the brewing process. Examples of apps designed to aid the brewing process include BrewR for a recipe manager, iBrewMaster for software managing the entire brewing process, and BrewPal for recipe formulation.

Victory Brewing's Covalleski shared with *Beverage Master Magazine* that they use HotSchedules app to help the hospitality staff manage their shift schedules interactively. Victory has used a local firm called Bluestone Creative Group to work on its app. Although Founders does not use any additional apps for its own internal operations, the brewery's "rate it" feature factors into internal discussions with the production team when evaluating new beers.

McLean of Magnolia Gastropub and Brewery shared, "We use a variety of apps for access to things like our POS system, file storage, recipes, and unit conversion calculators. Local Brewing's Regan Long told us, "We mostly use GoogleDocs for a lot of the cross-company tasks, like inventory and scheduling."

Technical Assistance for Breweries

With so many factors to consider, many breweries are turning to tech companies to give them a helping hand with their mobile app aspirations. The advantages of outsourcing your app development include more time to focus on other aspects of your brewery operations and achieving a more polished and professional app appearance and performance. The downsides, however, can be less control over the entire process and increased costs for marginal gains.

Beer Menus' Stephens pointed out that there's a big challenge here for breweries to get consis-

tently up-to-date information about where an app user could go to buy their beer. Finding the right technology partner can also be a challenge because possible partners may not share the same values. "Beyond that, building apps often involves big up front investments and ongoing maintenance costs, things that craft breweries don't need hanging over their heads," he added.

But with new and innovative tech startups emerging every day, breweries have plenty of options to choose from. Companies that specialize in creating apps for breweries include Grand Apps, Brewers Marketing, New Coast Ventures, and Platinum Edge Media. Meanwhile, other tech companies specialize in apps for back-end operations that breweries may be interested in more than those for customer engagement. For example, Unleashed Software assists with apps for inventory management, and High Jump provides supply chain network solutions.

After Braxton Brewing Company of Covington, Kentucky broke the Kickstarter record for the most money ever raised by a brewery, they called New Coast Ventures to help build their vision of the "taproom of the future" with a mobile app, website and ecommerce shop. Nick Cromydas of New Coast Ventures told us that he was first introduced to Braxton through a Cincinnati startup ecommerce system, where he learned that Braxton wanted to position itself as a tech company as well as a beer company.

Founders Brewery works with a local digital studio called Fusionary for all of the app development and design. "We then have a CMS that our in-house team navigates and manages for any updates to our beer lists, taproom info, shows, beer events, announcements, push notifications and more," explained Fortier of Founders. "We are currently in the middle of working on an app update that will add a few features in early 2017."

Features to Include in Brewery Mobile App

There are many different ways that you can approach mobile technology for your brewing business, but there are a few recommendations that experts in both software and beer suggest as a starting point. Here are some of the features that our interviewees say are important to consider when developing an app for your business.

- Accurate and up-to-date beer information
- Details about tasting notes
- Sharing what you're trying on social media
- Solve internal problems
- Local beer awareness using consumer location
- Promoting specific locations and events
- Loyalty programs with customer incentives
- Timely information tailored to user interests
- Entertainment and game play
- Robust analytics about the app and its users

Making the Right Decision for Your Brewery

But in the end, a mobile app isn't necessarily the right fit for every brewery. There's a bit of trial and error in this whole process, but a brewery shouldn't feel peer-pressured to create one that doesn't match its style and business goals.

Cromydas of New Coast Ventures suggests starting with an understanding of who your customer is and how your value proposition in the market is different. "Look at boiler plate apps, but the challenge of that is that every brewery has a different value proposition, such as bringing people in versus focusing on retail."

Kennedy of Brewers Marketing recommends developing a mobile optimized website before looking into apps and then make sure that your app has something of value that is best handled on a mobile device. Other pieces of advice he would offer breweries include "making sure your app developer provides you with a mobile content management system to update the app content without having to resubmit to Apple or Google, building iOS and Google Play versions of the app and crafting messaging that encourages re-engagement." Kennedy's company is currently building apps for the New York Brewers Association, the Nevada Craft Brewers Association, and the Ohio Craft Brewers Association.

Victory Brewing's Covaleski advises breweries that are thinking about developing an app to "Be careful how robust you build your app to be, as the final result's memory demands is a critical point

that users pay attention to when deciding to download an app."

Founders' Fortier suggests that breweries should identify the #1 goal of the mobile app and make sure you do that well. He explained, "Many apps (outside of our industry) attempt to do too much, and will overwhelm the user which results in poor retention. Make sure the user experience is simple and well defined. Identify a group of testers before launching (include individuals outside of the tech world or marketing/development team) as fresh perspectives, especially those who are not close to the project, are helpful."

Regan Long of Local Brewing Company acknowledges that it's a tough decision for small breweries to invest in digital because the value is unknown. "But if you stay focused on customers, you'll find it's worth it. Ultimately, build something that's interesting and solves a problem for your customers – they'll inevitably interact with your brand in a positive way, which will keep them coming back."

And finally, don't forget that it's not enough to develop an app and simply let it sit there. To realize an app's full value, you'll need to market it and promote it, which obviously requires time, effort, and funding. An app isn't a one-time project; it's an ongoing endeavor with maintenance and updates. Also, keep in mind that devices, software, and user actions can change quickly in our modern digital world. This means that ongoing evaluations of an app's effectiveness through metrics must be part of your marketing strategy so that you can apply changes and updates appropriately for current and future users.



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