

Designed to Sell

BY MICHAEL KUDERKA

For most retailers, their current location was designed long before the term ‘craft beer’ was ever kicked around. As a result, the flow and shelf space in these stores is often less than ideal for selling craft beer. Although crowded aisles may be a strong motivator to make major changes, redesigning an existing store can be a challenge. Revenue disruption due to construction and downtime can even deter the most committed beer retailer.

One trend that we are seeing with a number of retailers that we work with is opting-out of refurbishing and instead opting-in to starting over in a whole new space. One outstanding example of Out-Of-The-Box planning is Wine, Wine, Wine, in Brick, New Jersey. Despite the name, Tikoo Patel has built a new location that is designed to sell beer.

WINE WORLD COUNTS ON BEER

BT: Obviously when you opened your first store, Wine World, you didn’t have selling a lot of beer in mind, but it was in this, your original location, that you started to realize the upside of selling beer. What prompted you to increase your beer focus?

TP: “I focused on wine originally because it has always been a high ticket item. As craft beer has grown, we have seen the interest and the demand grow. With beer it is all about volume, I get constant movement with beer, which is a low investment compared to wine.”

“With this growth we have also seen the margins and profitability grow as well,” analyzed Tikoo, “the thing with beer as op-

posed to wine is there isn’t any haggling. Wine consumers often negotiate for volume discounts. Beer drinkers are most often so thrilled we have their brand in our inventory that they cannot wait to get the product home.”

BT: Walking through the new store, it seems that a third or more space is dedicated to beer. Is that true?

TP: “Yes, a third of the store is dedicated to beer. We have well over 2000 beer SKUs in the store at any one time, with our cold boxes holding about 1200 of these beers. I have 35 beer SKUs behind each door, and 60 SKUs behind the loose beer or singles door. Each cold box door is 80 inches high,” explained Tikoo. “And we did this deliberately because beer consumers usually are buying for immediate consumption. Unless it is an Old Ale, a Barley Wine, or an Imperial Stout, it isn’t something they are looking to hold onto or age.”

BT: The aisles seem larger as do the shelves, I also like the Breweriana. How does this figure into your store strategy?

TP: “If it isn’t comfortable to shop in a store, consumers are not going to hang around and browse.” Tikoo described, “If they have to climb over boxes, or cannot see all of your beer, they buy less. Our aisles are not that wide - they are 5 feet, which I think is standard, but they are not crowded with cases. Our shelves are higher, so they can hold more inventory and display more stuff. We have seven shelves



per rack where most stores have only five. Space is always a limitation in retail but I think we are using our space as efficiently as possible.”

“The high shelves might be challenging for our shorter customers, but we are always there to help them. Customer service is the key. The old beer cans and other Breweriana just make the beer section feel beer focused. Consumers like seeing the old brands and packaging.”

“Finally, it is important to make sure consumers have all the information they need to select the right beer, and the Style Trends shelf talkers makes sure we have detailed beer information for every bottle in our stores,” Tikoo concluded.

ARE YOU THINKING OUT-OF-THE-BOX?

How innovative is your store at selling beer? We would like to know. If you have promotions that go beyond refilling the cold box, we would like to hear from you and share your “out-of-the-box” thinking with our fellow *Beer Trends* readers.

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