

# Tapping into the Alcohol- Free Crowd



What if you found out that there was a large and growing segment of the population that you weren't catering to? These are people who want to enjoy the vitality and ambiance of your establishment, and are primed and ready to spend some of their hard earned discretionary income. However, since you haven't identified their particular wants and needs, they go and spend their discretionary income at someone else's business.

Well, that's essentially what's happening if you don't actively market non-alcoholic beverages (NABs). More than a passing fad, NABs are now part of the dynamics of our industry. Today, people are more predisposed to socializing without alcohol. There are numerous reasons why, including stricter DWI laws, health concerns, caloric content, and of course, personal preference. This trend has propelled alcohol-free products into a multi-billion dollar industry, and the fastest growing category of beverages in the country.

In addition to increased consumer demand, another reason to market alcohol-free products is that they usually command higher profit

margins than their more potent counterparts. Also, marketing NABs incurs no third-party liability, and precipitates no service-related problems. From a management standpoint, incentives for selling alcohol-free beverages are rife.

Attitudes are changing toward the marketing of alcohol-free beverages. Long gone are the old stigmas and stereotypes surrounding NABs, and the people who order them in bars.

Even though everyone from cowboys to yuppies seem to be drinking NABs, taking best advantage of the trend requires establishing an objective. For example, current thinking suggests that alcohol-free beverage sales should account for 10-14% of gross sales. For many mainstream nightclubs and bars that would constitute doubling their NAB sales.

Developing a marketing strategy is the necessary first step to achieving your sales objective. To be effective, your strategy requires two essential elements: you need to decide what alcohol-free drinks and beverages you're going to market, and how you're going to market them.

Send us your comments at [amo@barmedia.com](mailto:amo@barmedia.com)

## Selecting A Nab Line-Up

Never before has there been such an availability of interesting, high quality alcohol-free products from which to choose. The key is to create a menu that is as diversified as your clientele. Here's a quick glance at some of what's available:

- **Lemonade** — This great American beverage has become a fixture in many nightclubs and bars. In addition to being a delicious, thirst-satisfying beverage, it has scores of drink-making applications. While some operators prefer to make it the traditional way by freshly squeezing the lemons, others opt to market one of the high-quality, ready-to-drink brands of lemonade, such as Snapple or AriZona, or use a powdered mix. Flavored lemonades, such as raspberry and kiwi, are also gaining in popularity.

- **Coffee** — To best capitalize on the enormous popularity of Java, start by selecting a quality house blend of freshly roasted coffee beans. To ensure freshness, and to derive the most flavor out of the coffee, grind the beans just prior to brewing. Also, brew smaller pots of coffee more frequently to prevent the coffee from sitting too long on the burner. Once you've mastered regular coffee, consider branching off into specialty coffees, iced coffees, espresso, cappuccino and Café au Lait.

- **Adult Sodas** — Believe it or not, Dr. Pepper, root beer, and Squirt are making a furious comeback, and now are popularly requested at bars. In addition to drinking them straight, they also make excellent mixers. Then there are Skeleteens, a line of adult sodas produced in Southern California. With names such as Brain Wash, Love Potion #69, and Black Lemonade, Skeleteens are herbal-based sodas with a singular, spicy flavor that boggles the imagination.

- **Non-Alcoholic Beers** — Non-alcoholic brews have ascended in quality to the point where,

in many instances, they are indistinguishable from the alcoholic versions. American category leaders are O'Doul's (Anheuser-Busch), Sharp's (Miller), and Coors Cutter. Leading imports include Clausthaler and Haake Beck (Germany), Kaliber (Ireland), and Buckler (Holland). Few bars today are successful marketing only one label of non-alcoholic beer. Give your customers a selection of non-alcoholic beers.

- **Iced Tea** — A singularly American institution, over 35 million gallons of iced tea are consumed in this country each year, which equates to about 7 glasses per person. Its tremendous appeal is only surpassed by its exceptionally high profit margins.

- **Ready-To-Drink Iced Teas** — The leaders in this rapidly growing, \$340 million market are Snapple and Lipton, with Nestea and AriZona brands running close behind. While these ready-to-drink beverages have a higher cost percentage than freshly brewed iced teas, they are convenient, require no preparation and have built-in consumer brand loyalty.

- **Bottled Waters** — Bottled waters are skyrocketing in popularity. People are becoming increasingly more familiar with the many different types and brands of bottled waters, and as a result, savvy operators are stocking more than just Perrier for their customers. Water is bottled both sparkling (carbonated), and still (uncarbonated). Sparkling waters vary greatly in the amount of carbonation they contain. There are those with light effervescence (Bartlett and Ty Nant), medium effervescence (Ramlösa and San Pellegrino), and high effervescence (Perrier). Still waters vary in the amount of minerals they contain, which affects how they taste. For example, Evian has a low mineral content, while Vittel has a medium to high mineral content.

High profits and no liability make these no octane products one of the most significant mega-trends to hit the nightclub and bar business. Stock up and ride the wave.

Send us your comments at [amo@barmedia.com](mailto:amo@barmedia.com)

## Nabs Marketing Keys

An important aspect to marketing NABs and alcohol-free specialty drinks is to do it in the same manner, and with the same production value, as you do other alcoholic products, such as a specialty drink menu. You should present in your menu a balanced, broad selection of alcohol-free products, so that there are products to appeal to the largest segment of the market. Also price the NABs in-line with your bar's other products. If priced too low, service personnel will be hesitant to market them; if priced too high, your clientele will react negatively as if they are being gouged.

Table tents are also particularly effective in marketing NABs. A well-designed, graphically appealing table tent has an immediate effect

on customers as it's often the first marketing piece they see. In addition, table tents promoting alcohol-free drinks and beverages reemphasizes your marketing commitment to your service staff.

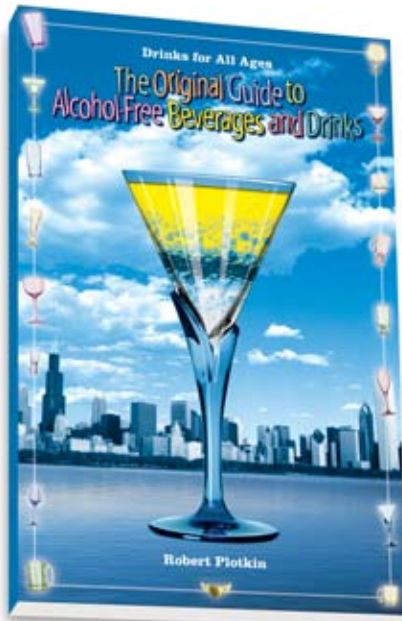
Getting your employees to fully support any beverage program is essential to its success. As the people who will be marketing the alcohol-free beverages, they need to rid themselves of any lingering negative attitudes they may have towards NABs and the people who drink them. Secondly, they need to look for opportunities to market NABs. For example, upselling a bottled water to someone who orders a club soda, or an alcohol-free cocktail to a person who is reluctant to order another alcoholic drink. Servers need to believe in the quality and basic appeal of NABs in order to be successful selling them.

---

**Robert Plotkin** is a judge at the San Francisco World Spirits Competition and the author of numerous books. You can reach him at BarMedia— [robert@barmedia.com](mailto:robert@barmedia.com).

---

## *This Month At BarMedia*



Inside *Drinks for All Ages* you'll find over 400 of the most creative and delicious alcohol-free drink recipes ever compiled into one collection. The recipes span the breadth of alcohol-free mixology – plus hot coffee, tea and cocoa specialties, ice cream drinks and specialties made with lemonade, juices and sparkling cider.

**An Exclusive Offer for Our Subscribers Only**

Was: ~~\$15.95~~, Now: **\$7.95** + S & H  
Enter code **ALF22810** at checkout

Valid until 02/28/10

***This month only!***