

How to Increase Beverage **SALES** by **MODERNIZING** Your Bar



How to Drive Beverage Revenue by Modernizing Your Bar

A Guide on Creating a Program to Attract the Modern Drinker

The goal of this ebook is to highlight simple steps you and your bar team can take to update and maintain a contemporary beverage program. A modern bar program should excite your guests and create a sense of discovery each time they dine with you; a great program should offer a unique selection and experience that gives guests a chance to find a new favorite wine or beer whenever they look through your menu. It should also be executed in a way that generates more revenue for your restaurant. The insights and suggestions that follow are based on our own data, research, and experience working with bars and restaurants throughout the hospitality and beverage industry.

We've parsed through countless reports, infographics, and polls assessing the state of the beverage industry. Looking at current trends and what's to come, we've identified proven trends, sound adjustments and true revenue builders and separated them from micro-trends and overhyped fads.

After reading our ebook, you will have a better understanding of the state of the modern drinker and what steps to take to turn your beverage program into a profit center that drives patronage and builds repeat customers.

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The Modern Drinker

Customer preferences are changing

The modern American drinker has changed over the past 20 years. Tastes have evolved. Preferences have shifted. People drink whiskey neat, again. Stirred cocktails with brown spirits like old fashioneds and manhattans are replacing martinis and cocktails based on flavored vodkas.

There is a sizable number of American wine drinkers who are turning to drier varietals produced in cool climates. The dominance of the California wine style — robust, boozy, fruit-forward – is still the most popular style in the U.S., but there is growing interest in more subtle wines. Many of these wines are produced in old world regions like France, Italy and Spain. Crisp white wines from Australia and New Zealand are gaining ground on oaked and buttery Chardonnays.

Rosé is the **BEST SELLING** premium wine in the country

Why? Many drinkers are counting new styles amongst their go-to orders. More people are open to trying new varietals, taking a risk on unheard of labels, and tasting unique flavors. Young consumers are not as brand loyal as previous generations. That fact is affecting consumer brands all across the U.S. and it certainly applies to ordering drinks at restaurants and bars.

Budweiser and Heineken have lost cooler space to craft brewers who have wielded hop-heavy IPA's like David used his stone against Goliath.

But let's slow down. We're getting a bit hyperbolic.

Millennial dining and spending habits have a big impact

Yes, things are changing. But a smart restaurant operator knows that trends aren't always what they seem. When making decisions about your beverage program, it's best to take measured steps. You should consider the types of customers that are dining and drinking with you on a daily basis. Understand how the modern American drinker relates to your establishment.

But also think about the types of customers you may be missing out on by not updating elements of your wine and beverage program for contemporary tastes.

You also have to look ahead to the near future. Much ado is made about millennials and their dining habits. The truth is, that demographic is an important piece to the future of your restaurant (Restaurant Marketing Labs).



Consider this: millennials spend more dining out than any other age bracket.

And as that group's spending power grows, their influence will be greater. So it's important to take stock of what changes have occurred in the last 5, 10, and 15 years.

The value of giving your guests a unique experience

An important theme running throughout this ebook is the value of creating interactive and engaging experiences in your restaurant. These experiences can be full-out events like a ticketed wine pairing dinner, or smaller scale, personalized experiences like creating wine, beer, or spirits flights for customers looking to expand their tastes.



The importance of creating experience is a product of consumer's preference for participating in events and live "experiences." The majority of consumers, in particular millennials, would rather spend money on an experience than a material good. Creating these experiences is the best way to bring new customers into your restaurant.

Growing a Stellar Wine Program

Education is a supremely beneficial feature of a good wine program

A major factor to be mindful of when considering your customers relationship to your wine list is that wine can be intimidating for consumers. This intimidation can have a meaningful impact on your wine sales.

A recent report from Datassential details how intimidation affects diner's choices:



This is an important finding to consider when revamping your list. Your restaurant must give guests options when it comes to ordering wine, but you need to actively them through those options.

Glass pours give your guest a chance to explore

A simple way to provide more options is to add more wines to your by-the-glass list. This way, you're giving guests a casual way to try a wine style or varietal they've never had before. It's also a fun way to be playful and adventurous with your wine offerings.

Customers are more willing to try a new wine if they can order it by the glass because it's less of a commitment than buying a bottle. Depending on the number of covers your dining room does, consider having 15 or more glass pour options.

Often you may be able to get better pricing or discounts from your wine vendors as well by including their products on your glass list. Be sure to ask your vendor if they can reduce your case price.

Building your glass list opens up a new world of options for both guests and restaurant.

Wine Flights educate and excite your guests

An engaging way to captivate your customers with a great experience is to promote wine flights. Flights give guests the chance to try multiple wines at once, but in smaller quantities. This is an interactive way to educate drinkers, and to let guests find out what styles and flavors they like in a wine.

Be creative with wine flights. Allow guests to choose different selections while you remain the authority on wine for your guests. Assemble flight selections that work well together, choose wines that have a specific relationship to one another. Let your guests know why each wine was selected.

A great promotion for wine flights is to give guests a discount if they purchase a bottle of wine that was featured in their flight.

Tasting Menus help you sell more wine

Another way to boost wine sales and match customers with complimentary flavor profiles is to create tasting menus complete with wine pairings. A prix fixe tasting menu will allow your restaurant to really have control over your guests' experience. Wield this power wisely. Tasting menus allow you to showcase the best of what your restaurant does. Pair your most pleasing and unique dishes with wines that compliment those flavors. A thoughtful wine pairing can elevate a meal.

Tasting menus work best with tables of 4 or more, so a wine pairing for a single course may mean you are selling multiple bottles of wine to one party. This is a great way to move inventory, as well as convert guests to new wines that they have not had the opportunity to try before.

Flights and tasting menus are an educating and interactive way for curious diners to get great value from a restaurant. It might turn a guest onto a new wine they wouldn't have normally tried, and that can turn into bigger sales in the future.

A focus for your wine list gives your program and identity

We're going to do a small exercise. This minor mental callisthenic will highlight the importance of focus in your wine program. Ready?



There, we're finished. Take a breath, kick your feet up, and relax; our exercise is done for the day.

One way to think about focus is that of a French or Italian restaurant that offers wines exclusively from the country their cuisine hails from. This method has been very successful, but works best with a large and exhaustive list that matches this large focus. That means curating a really monstrous wine list.

But there are other ways to focus your wine program that keep things simple and selective. A study on the way food and cuisine is marketed shows that marketing a cuisine like Japanese or Mexican food isn't as effective as promoting specific items like ramen noodles or tacos.

The difference? A nuanced focus lets customers know exactly what the restaurant does well, and what items they should try when dining there. This same approach can be applied to how you promote your wine program. Promote a nuanced focus that creates a point-of-view for your wine program, but doesn't restrict its appeal to a broad customer base.

Ideas for creating focus

There are many ways you can focus your wine program. But it must be something your wine director is passionate about. This list of restaurants shows the different focus and highlights of their wine programs. Remember, a focus doesn't have to exclusive. You can still put wines on your list that don't fit into these categories, but a focus tells your guest that there is something unique to your restaurant, something that they can't get anywhere else.



5 Unique Wine Program Focuses

Emerging styles and varietals that compliment food, seasons, and mood

Sparkling wine is becoming a popular by-the-glass option

Take look at sparkling wine's growth in 2015. And the fact that English sparkling wine is beating French heavyweight champagnes in tasting competitions.

Most Popular Bubbles

Champagne

Prosecco

Cava

Rosé

In short, bubbly is exploding. And it's not just one style or region that is responsible for this industry shake-up. No, styles and varietals from all over the world are filling glasses in high number.

You should have at least two sparkling wines as a glass pour option and often more; consider having one Champagne, one sparkling rosé, one additional other sparkling.

Often we think of sparkling wines as fitting for celebrations, but they're becoming more popular as everyday drinking wines. It's a great way to start a meal, and is a wonderful apéritif that can spark the appetite. Want to get a little bit wild? Consider one of the newer trends, decanting Champagne.

Red blends are becoming popular with younger wine drinkers

Red blends have always been popular. Historically, some blends are the most sought after and expensive wines, think of a vintage Bordeaux or Chateauneuf-du-Pape. Even California-made blends based off those ruby French gems, like Meritage or Rhone-style, are regarded as some of California's best products.

But the new blend trend bucks tradition. Where standard blends are constructed of traditional grape pairings, many new and popular blends pair grapes that have never shared a bottle before. Off-premise sales of red blends grew as much as 6% month-to-month in 2015.

Millennials are indifferent to **LABEL PEDIGREE**

The appeal to young drinkers is about taste and quality. Millennials are notoriously indifferent to a label's pedigree: their concern lies with a producer's story, the wine's value, and most importantly, the wine's taste.

Traditional red blends take root in the region of semi-dry to dry, but newer blends have a much broader range. Some of the most popular labels are big and fruity, with generous amounts of residual sugar that adds notable sweetness to wine.

It's important to note the range of these wines, because you must be aware of where the wine you're considering falls, and how that will fit on your menu.

Dessert and fortified wines are becoming popular again (sort of)

Sherry and port are often thought of as wines reserved for the early bird dinner hour. This is of course, unless you follow wine and beverage industry "news." Wine and cocktail writers would have you believe the gilded age of sherry has returned.

To be honest, both views hold a bit of truth. But, depending on if sherry glass being half-full or half-empty, each view holds some falsehoods, too.

Fortified wines, specifically sherry, are seeing both a decline and an increase in sales and exports. Basically, the sweet styles of sherry are becoming less popular. The decline of sweet sherries like cream or pale cream is having a larger impact on the overall sales of sherry than the increase in sales of other styles is. Hence the thought that sherry is dead.

The average age of port and sherry drinkers **IS DROPPING**

On the other hand, the rising popularity of Spanish dry styles like fino or manzanilla, gives sherry enthusiasts hope for the future.

The average age of sherry and port drinkers is also dropping. Younger drinkers are helping grow the sales of dry styled sherry, specifically the Spanish varieties.

As small batch production and regional fare are becoming popular consumer preferences, provincial producers from areas like Jerez in Spain and Douro in Portugal are finding a new fanbase thanks to renewed interest in these styles, concentrated in American and European cities.

If you're adding sherry to your menu, stick with drier varieties that can be enjoyed with food, not only as dessert.

Exploring new and upcoming wine regions

There are many countries, both old world and new, who are producing fantastic wines that are becoming more widely consumed thanks to increased exports and a goal of countries to share their great bounties with the rest of the world. In exchange for money, of course.

These countries had significant growth in wine exports in 2015, and many of these areas are finding placement on menus. One of the big reasons for their new found success is that these regions produce high quality wines that are very affordable and as such, offer great value to the consumer.

The following regions had the largest growth in wine exports. Their most popular varietal and/or regions are listed as well.

Spain - Tempranillo, Garnacha, Albariño

Chile - Cabernet Sauvignon, Merlot

Argentina - Malbec, Torrontes

Georgia - Kakheti

Macedonia - Vranec

Popular U.S. regions outside of California

California is the largest producer of wine in the U.S. The golden state is the golden child of North American wine, producing almost 90% of wine in the United States. The state is the reason the U.S. can compete on a global scale with countries like Italy and France. But there are a few states who produce high quality wines with spectacular pedigree that honor the regions they're grown in.

Although all 50 states produced wine, three states that have pulled ahead of the rest of the country.

New York - Sparkling wines, Riesling, Chardonnay, Pinot Noir

Washington - Merlot, Cabernet Sauvignon, Cabernet Franc, Chardonnay, Sémillon

Oregon - Pinot Noir, Pinot Gris, Chardonnay, Tempranillo, Pinot Sémillion

New technology can help you do more with your wine program

Coravin systems allow you to do more with your wines

An opened bottle of wine has a short shelf life. Without proper storage, it sprints towards the spoiling line. Too often, an unfinished vintage is sent to the kitchen and destined for the sauté pan. But with the Coravin system, wines are preserved. An open bottle will stay fresh for much longer.

The Coravin system has success preserving wines by taking a needle and piercing the cork of a wine bottle. The hollow needle allows wine to flow through it. Once the needle is removed, the cork naturally reseals itself. Pretty cool.

This helps restaurants cut waste. It also gives you the confidence to do more with your wine program. Some of the highlights we mentioned before, like more wine by-the-glass options, unique wine options, and flights, are all made more cost-effective with the Coravin system.

Wine on tap is a serving option for progressive wine programs

Yep. You read that write. *Draft wine* is becoming more popular. Wine on draft hasn't taken over the industry yet, but it's becoming prominent enough to take note of. Parishioners of draft wine preach the virtues of a longer shelf life for kegged wine. Like packaged beer vs draft beer, wine in a keg is costs less than buying cases. Wine in a keg has a smaller carbon footprint than the production of individual bottles. Consider checking out *Free Flow Wines* to learn more about wine on tap and wine kegs.

Draft wine isn't for everyone, but it's certainly worth considering if you're looking to create a truly progressive program.

Wine on tap provides a **LONGER SHELF LIFE**

Digital wine menus engage members and can increase wine sales

We mentioned above that digital wine menus are a great way to educate your guests. Digital wine lists and beverage menus allow restaurants to present more information to guests. Without the restriction on space that paper menus have, iPad wine lists can offer tasting notes, wine descriptions, and producer information to diners that make them more comfortable buying a bottle.

Digital menus increase the **FLEXIBILITY** of modern beverage programs

Digital menus also reduce the labor and cost of managing a wine program. To run a flexible, fresh wine program, digital menus allow you to make changes quickly and instantly. This flexibility gives you the ability to do more with your menu. Want to switch up your wine flights? With digital menus, it's incredibly easy. Best of all, companies like Uncorkd provide a database with information on over 120,000 wines, beers and spirits; these entries include tasting notes, geographical information and pictures.

Updating Your Bar Operations

In-house ingredients make better Drinks and are cost effective

Fresh juice

The biggest change in the past 10 years, as far as bar ingredients go, is a simple one. Bartenders have swapped out the supernatural colors of sugary pre-mixes for fresh juice. The change seems slight. But the impact is enormous. Just taste the difference between a daiquiri made with rose's lime juice and one made with fresh lime juice and simple syrup.

Fresh juice taste better. Lemons or limes juiced in house are crisper. They are refreshing. They turn a drink once muddied by too much sugar into a bright, refreshing cocktail. There is no real comparison between fresh juice and a pre-mix. (Save for one's preference in a Gimlet). Fresh juice makes a better-tasting cocktail.

FRESH INGREDIENTS are back by popular demand

The good news is it is easy to utilize fresh citrus in your bar. Depending on the size and depth of your cocktail program, you can probably get away with having only fresh lemon and lime juice. Though grapefruit or orange juice is always useful.

This is an area where the bar and kitchen can work together. Your kitchen is probably already using fresh juice as an ingredient. Have your prep cooks make an extra batch for bar use. If not, your bar back or opening bartender should be juicing.

If juicing in-house seems too intensive, then check with your local grocery store to see if they serve fresh juices. Many stores will juice to order for a customer that calls in.

Just remember, with any juice, maintaining freshness is key. You should always date the juice on the day you make it, and your bartender's should taste the juice each shift to make sure it is still fresh.

Simple syrup

Making simple syrup in the bar is, well, simple. It's just combining hot water and sugar. You can use white sugar to make a clear syrup. Or demerara sugar for a darker syrup with notes of molasses. Trust me, the best old fashioned you'll have is one made with demerara sugar.

You can also infuse new flavors into simple syrups by cooking it down with fruits or spices. These easy-to-make flavored syrups are versatile tools for your bar. Think of what you can do with a strawberry or blackberry syrup in the summertime, or an all-spice syrup in winter. You can make interesting and tasty drinks, with very little labor. It's a cost effective way to elevate your bar and cocktail program.

Garnishes

Along with fresh juices, fresh garnishes are a must. Not only is it a service to your patrons to have fresh lemons and limes for garnish, it can be a beautiful visual component to your bar. Think of how attractive the bright green leaves of fresh basil or mint look on a bar top.

This visual is also a signal that your bar takes its craft seriously. And that patrons can expect quality service and ingredients. It will also indicate the quality of your kitchen.

But make sure you keep garnishes fresh at all times. There are a few simple additions and procedures to make sure your bar garnish tray passes inspection.

- □ Toss old citrus. Keep it fresh during service and store properly at night.
- Keep olives cold and soaked in juice. No one likes a dry, room-temperature olive in their martini.
- Ditch the bright red maraschino cherries. Reserve those for ice cream sundaes. Keep bourbon or Luxardo soaked cherries on hand for manhattans instead.
- Add a few bright greens like basil or mint. Nothing beats a mojito with fresh mint.
- Keep whole fruits on the bar for peels and twists. Oranges, lemons, limes, grapefruits. A bowl of fresh fruits is a simple and beautiful sight. That's why still-life painters couldn't get enough of them. Zesting fresh fruit adds great aromatics and theatrics for guests.

Delicious & simple classic cocktails recipes





Batching cocktails lets you serve innovative cocktails quickly, efficiently, and with consistency

Not every bar should be a cocktail bar. Nor should a restaurant forgo timely service in favor of exotic or complex cocktails. But a good cocktail program doesn't have to be inefficient. Your staff should be of high quality and well trained, but they also shouldn't be at the mercy of 6-touch cocktails that take too long to make.

An efficient way to run a cocktail program with unique flavors and ingredients is to pre-batch cocktails before service.

Simply pre-batch all of a cocktail's ingredients, except for any citrus or perishable items.

This benefits your bar and your guests in many ways.

- Allows bartenders to make drinks faster
- Maintains consistency in complex cocktails during peak service
- Still allows for bartenders to shake, stir, and mix drinks in front of guests.

Complex cocktails that are made simple through batching



Proper glassware shows your program respect

Glassware is often an overlooked element of a beverage program. But it shouldn't be.

The proper glasses can serve multiple purposes. The tone of your beverage program can be set by the glassware. For a more relaxed atmosphere, try serving wine in stemless glasses, instead of more formal stemmed wine glasses.

If your bar is promoting its craft beer selection, get the proper glassware for your beers. Lagers should be served in tall, thin, cylindrical glasses. Heavier beers like stouts or Belgian tripels should be served in a snifter or stemmed tulip glasses.

Proper glassware improves your level of service, creating an authentic experience for guests.

Your Service Must Be Top-Notch

A key to any good restaurant or bar is service. There are a few basic qualities a good staff member should possess:

- Friendly Demeanor
- Knowledge
- Organization

That is a short list. But these are the foundations of good service.

Service should be friendly in how guests or members are greeted and treated.

Service should be organized in every way. From how a server runs their section, to a kitchen's mis en place. everything should be in its right place.

Having a knowledgeable staff is something very important to a modern restaurant. Diners today have a greater knowledge of food and beverages than ever before. The proliferation of information on the internet, food programing on television, and the critical atmosphere fostered by third-party review sites like yelp, all make the knowledge of your staff more important. You cannot rely on a smile in today's culinary world. Though one certainly helps.



A useful way to train staff on your beverage program is with digital menus. iPad menus provide space for tasting notes, beer information, and cocktail photos. They have become a great resource for training staff, and educating customers.

When it comes to your beverage program, your staff must be able to make intelligent wine suggestions based off of taste and food pairings.

Bartenders should have knowledge of cocktails outside of the ones offered on the menu. Classic cocktails should provide a base for bartender knowledge.

Staff knowledge on beer styles, production info, and ABV is very important as well.

As consumers' preferences change and grow, there are more viable options in the beverage world. Good service means helping your guests navigate those options in a friendly and efficient way.

Restaurants must have a great beer program

Craft and local beer is abundant and a great way to support local business and meet the growing preference of purchasing local products

There are craft beer producers in every state. Adding craft options is a great way to expand your list and work with local producers. And craft beer doesn't have to be just big and bold IPA's. Craft brewers are making lagers that will satisfy the miller light crowd, and excite those looking for new labels and brew styles.

Working with local brewers is a great way to support small businesses in your own community, and when your guests have a connection to your beer list, they will order those beers.

Beer Pairings can add a whole new depth to your beer program

Craft beer and entree pairing is becoming a sought after idea. Even craft beer and cheese pairings are becoming more commonplace. Just like with wine pairings, intensity is key, but more so in regards to flavor than body (like with wines). Another difference is that while wine is typically paired based on weight and contrasting attributes, beer can be paired based on contrast tastes or similar flavor reinforcement.

A full-proof way to match a beer with any food is to match the main flavors in the beer to the primary flavors in the dish, cheese, snack, or anything edible really. The possibilities with craft beer are limitless. Craft Beer has even gone so far as to find perfect pairings for beer and Girl Scout cookies!

Another cheat-sheet way of pairing beers and meals is to match a beer from a particular region to dishes from that same region. This works so well because historically, beers were brewed to go well with local foods. Some other great pairings to keep in mind this spring season are:

- Pale Ales with salads and seafood
- India Pale Ales with lighter dishes like seafood and salad as well, but also with more flavorful and rich foods like pizza and fried chicken. Beware, when paired with spice, it'll turn up the heat!
- Wheat Beer for fruit dishes and desserts with warm spices like cinnamon.
- Stouts and Porters with barbecue.

Beer flights create a customer experience

Another quick way to instantly update your beer program is adding beer flights to the menu. Give patrons the option to try small portions of your tap selections consecutively. These sets of beer are typically arranged from light to dark (and drunk that way as well); unless the beers look very similar. You can implement a flight with a wide variety of beer styles or a series of similar beers that allows guests to taste the variations.

Add a nitro beer line to your tap system

Nitro beers are another upgrade worth investigating to better your bar. The fermentation process that makes beers alcoholic also infuses them with carbon dioxide (a fermentation byproduct). While most beers are typically further infused with added CO2, a lucky few are instead treated with nitrogen, creating tiny creamy bubbles (a certain beer from Dublin should come to mind). Nitrogen is a mostly water-insoluble, flavorless gas. Nitrogenating beer alters mouthfeel, texture, and flavor. Setting up a nitrogen tap would give your current brew lineup some extra pizazz.

Collaborate with local brewers to throw awesome events

Nitro not your thing? Teaming up with local breweries and having a tap takeover is a great way to keep guests excited and requesting more pours. Uncorkd will keep track of what's getting attention. Showcasing a beer of the month is another great way to increase sales and strike interest in local brews. Something as simple as featuring an image with informative text or a special on that particular brew for the month can send sales through the roof.

Incorporating fun events into your venue calendar like hosting a beer pairings dinner event or a miniature beer fest can really get crowds gathered at your tap. With the weather warming up, nothing beats taking some time for a good brew. Using these suggestions will help keep your tap flowing.

The Take-Away

The vital take-away from this ebook is the importance of creating exciting and new experiences for diners by engaging them with a unique program with a focused identity. This identity comes from attention to detail and creating consistency throughout your bar program. Whether this is a wine program with a point-of-view, or a rotating local and craft beer selection, you should offer something special for those who choose to dine with you.

Creating this program can be simple and generate more sales if done correctly. And there are ways to make it efficient and effective for your restaurant.

There are two moving parts of a modern beverage program: the behind the scenes work that builds your program and how it is presented to your diners.

How you engage your guests through your beverage program is what will make the behind the scenes work worthwhile.

So, take the insights we've provided and think about your audience. What will be the most effective adjustments for your bar to make? What focus will connect most with those you serve each day? What areas of your program could attract more patrons to your dining room if improvements were made?

Remember, a modern beverage program doesn't have to be ornate or a hassle to execute. It should be something that excites guests and makes your bar program better.

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