

Boozhooz

50 million Starbucks fans can't be wrong!

Why you need a better alcohol-free drink program.

BY IAN FOSTER, REGIONAL VICE-PRESIDENT

It was supposed to be a big night out with friends. We had a babysitter lined up for our two-year-old. Since my wife was pregnant, it had been a long, long time since we had been to a “grown-up” restaurant. Our friends are wine-lovers so we anticipated spending some money – except it didn’t work out that way. My wife, Kelly, wanted to feel like she was included in our party too, but the restaurant made that kind of difficult.

We started off in the bar with some champagne. Kelly wasn’t sure what she wanted so I told her I would talk to the bartender. I asked him if he had a “really cool, alcohol-free drink that he liked to make, something really special.” The bartender gave me a confident nod and said “No problem, I’ve gotta drink she’ll love.” Kelly was excited; in most restaurants the best they can offer is some stupid children’s drink like a “Shirley Temple” or a “Roy Rogers” – something way too sweet and sickly, whose very name seems designed to alienate sophisticated grown-ups.

But things started to go downhill almost immediately. The “something really special” that the bartender came

up with was basically lemonade with a splash of soda and grenadine. My wife took one sip and gave me a funny look – one that meant this would be a shorter night out than I was hoping for.

It might seem a trivial reason for cutting our night short and maybe the whole pregnancy-thing had something to do with the quick mood change. But Kelly wasn’t about to watch everyone else drinking cool cocktails and expensive wine

while she sat around sipping water or the crappy “something really special” that was anything but.

If the restaurant had given some thought to their alcohol-free drink selection, they would have made a lot more money from our table.

WHY YOU NEED AN ALCOHOL-FREE DRINK PROGRAM

Unfortunately, poorly promoted and sub-par alcohol-free drink choices are the norm. Most restaurateurs or bar

owners do not really think that their customers are going to buy them. But you only need to look across the street at the *Starbucks* or *Jamba Juice* line-ups to see that there is a huge customer demand for cleverly promoted and interesting alcohol-free drink options.

Back in 1989, a lot of my customers were concerned about a spike in the cost of coffee. I clearly remember many complaining that they already charged 50 cents

for coffee and that there was no way they could pass a price increase on to their customers. If you had told those restaurateurs that within a few years

their customers would be lining up to pay five or six times that amount, they would have laughed at the concept. But, of course, *Starbucks* has built a \$6-billion-a-year business selling \$3.50 coffee drinks.

A wise bar or restaurant owner would certainly want to take some of that \$6 billion. And why not? After all, with its hip décor and music, *Starbucks* could easily be mistaken for a very upscale lounge or bar so it shouldn’t be much of a stretch to imagine your customers ordering *White Chocolate Mochas* and *Frappuccinos*®.

The market for alcohol-free drinks is much bigger than most of us drinkers imagine. The best estimates are that one quarter of North Americans do not drink at all. When combined with light drinkers (who consume less than a drink a month),

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“The ultimate treat for the non-drinker and drinker alike is when a bartender doubles as a barista, making lattes and other Starbucks-type drinks.” – Kevin Helliker, “New Year’s with a twist”, Wall Street Journal

they represent 49%, according to a National Institute of Health study.

Even we drinkers often wish we had better alcohol-free options. Towards the end of an evening I often switch to tap water when I could easily be persuaded to spend some money on a mocha or an alcohol-free mud-slide.

INCREMENTAL PROFIT CONTRIBUTION

The best part is that introducing a successful alcohol-free beverage program means adding incremental

profits to your business. Most establishments could double their alcohol-free beverage sales. And the resulting sales are mostly new sales that you were not making before. Because you have already covered labor and overhead, any new sales produce incremental profits that flow directly to your bottom-line.

“It takes a savvy operator to see that getting a table of tap water drinkers to buy something better is good for everyone,” enthuses Robert Plotkin, one of the foremost experts in the field of mixology and beverage management. “You have truly enhanced the guest’s experience when they buy a better quality product. At the same time your profits will be higher – you aren’t leaving money on the table.”

Alcohol-free drinks should be just as profitable as those with alcohol. As a general rule of thumb, you should cost out these drinks so that your ideal pour cost is approximately the same as your ideal liquor pour cost.

THE MARKETING CHALLENGE: GETTING RID OF THE STIGMA

The whole category has an image problem. In corporate jargon, alcohol-

free drinks are in desperate need of a branding-makeover.

Robert Plotkin’s *Drinks for All Ages: The Original Guide to Alcohol-Free Beverages and Drinks* (www.barmedia.com/ALF_main.htm) is perhaps the best book I have seen on creating a profitable alcohol-free drink program. In it, Plotkin writes, “‘Non-alcoholic’ suggests that there is something integral missing from a beverage or drink. Says who? The same can be said for menu headers such as ‘mocktails’ or ‘virgin drinks’...labels that serve only to demean the product and the person ordering it.”

Plotkin suggests a more positive and appealing brand name for your program: “alcohol-free”.

The #1 challenge in creating a successful program is to eliminate the stigma that some servers have about selling alcohol-free drinks. “You simply have to get your staff jazzed about selling them,” notes Plotkin.

Start by pointing out the untapped market. Ask your staff to think about all the people they know who don’t drink alcohol and what kinds of drinks they might enjoy at your establishment. You might also get them thinking about the phenomenal success of Starbucks and Jamba Juice and how you can attract and please their customers.

Get all your bartenders and servers to taste your alcohol-free drinks. Your staff is going to sell what they like best so extensive sampling is critical to building the program. Get them hooked on your specialty drinks and your alcohol-free sales will skyrocket.

Even better, get your staff involved in drink development. Encourage your bartenders to experiment with new combinations to come up with their own alcohol-free specialty – that’s how Starbucks invented the Frappuccino®. One of their baristas was just playing around in their Santa Monica, California store and it led to a money-making monster.

Most alcohol-free drinks you develop will be “convertible recipes”: they also make great adult beverages with the addition of a little alcohol. For



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example, an outstanding iced coffee gets "kicked up a notch" with a shot of frangelico.

STARBUCKS-TYPE DRINKS

This is the most promising category as Starbucks is doing all the promoting for you. Everyone is familiar with mochas, cappuccinos and frappaccinos – not only familiar, but practically addicted! A sizeable investment in an espresso machine is required but since your customers are used to paying top dollar for these drinks, this category is still a very profitable one. The payback on an espresso machine is usually 12-18 months.

Training your staff so that they are all skilled "baristas" is absolutely critical. If your staff's cappuccinos don't compare to Starbucks, then your efforts will fail.

ICE-CREAM DRINKS

Everyone loves ice cream. Mixing vanilla ice cream with chocolate, cof-

fee, syrup, fruit or peanut butter (or just about anything really) is a sure-fire hit. It is difficult to even think of a bad ice cream drink. The only hitch is figuring out how to store ice cream at your bar if you don't have freezers nearby.

SMOOTHIES

Smoothies might be the perfect alcohol-free drink. They have all the flavor and popularity of an ice cream drink and yet they are actually healthy! This might be the hottest category in the industry over the past few years; I drive by the long line-ups at Jamba Juice every day. I am intrigued by the fact that their demographics are relatively young. Jamba Juice's customers are going to be your customers for the next twenty years so here is an opportunity to promote something that they want to buy.

ALCOHOL-FREE COCKTAILS

The most popular of these is the Bloody Mary. And this is one drink that stands on its own even without the vodka, as long as your mix is superb. This is an art – there are thousands of variations on the classic Bloody Mary – and an opportunity for you to make your Bloody Mary a real signature drink. All great Bloody Marys, though, share certain attributes: a thick viscosity, a spicy kick and an edible garnish that doubles as a swizzle stick.

LEMONADE AND ICED-TEA

Everyone offers lemonade and iced tea but this category is a good opportunity to develop a signature variation by adding juice or fruit, mint, syrups or sparkling cider.

BOTTLED WATER

"You carry seven vodkas, why only one brand of bottled water?" remarks Plotkin. That is a missed opportunity. Everybody needs at least two brands: a still water and a sparkling water. But, depending on

ICE CREAM DRINKS APPEAL TO THE KID IN ALL OF US



Here are three outstanding ice cream drinks developed by Robert Plotkin:

Jamocho CocaShake

House specialty glass, chilled

- *Pour ingredients into blender:*

3 oz. cold brewed coffee

3 oz. milk

2 oz. chocolate syrup

3-4 vanilla ice cream scoops

- *Blend ingredients*

- *Whipped cream and drizzled coffee syrup garnish*

Pina Coolata Milk Shake

House specialty glass, chilled

- *Pour ingredients into blender:*

2 oz. Dole Pineapple Juice

1 oz. Coco Lopez Cream of Coconut

½ cup Dole Pineapple Chunks

2 oz. milk

3-4 vanilla ice cream scoops

- *Blend ingredients*

- *Whipped cream and pineapple wedge garnish*

Fooled-Fresh Raspberry Freeze

House specialty glass, chilled

- *Pour ingredients into blender:*

2 oz. raspberry purée

4 oz. milk

3-4 vanilla ice cream scoops

- *Blend ingredients with ice*

- *Whipped cream garnish*

From Robert Plotkin's *Drinks for All Ages: The Original Guide to Alcohol-Free Beverages and Drinks*

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INSIDE:

How many more customers would you have if you included really good alcohol-free drinks on the menu?



Bevinco's Ian Foster makes the case for adding to your bottom line with a great alcohol-free drinks program.

[Continued from inside] your clientele, it often makes sense to carry three or four bottled waters including both a domestic and an imported sparkling water.

RED BULL

This has become a brand that you simply have to carry. "It might be the only mixer that is routinely called before the alcohol," notes Plotkin. Your customers order a "rum & coke" or a "vodka & tonic" but they ask for a "Red Bull & Jager".

Robert Plotkin recommends finding creative ways to integrate it into beverage program because of its high cost. "We like to include Red Bull when we are developing house specialty drinks – and then we heavily promote it," he says.

ALCOHOL-FREE BEER

Beer sales are down everywhere and alcohol-free beer has followed that trend. You probably need at least two

alcohol-free beer brands, though, because the market seems to be equally split between O'Douls drinkers and Sharps drinkers with little crossover between the two.

KID'S DRINKS

Most kids are going to be pretty bored by the choices they are offered at a restaurant. Soda, milk, juice... even Shirley Temples and Roy Rogers don't hold any appeal to children. Does anybody under 40 even know who those people were? In *Drinks for all Ages*, Plotkin writes: "Special' to kids usually means being served a great-looking, great-tasting concoction, served in a sensational looking glass that mom and dad wouldn't normally let them drink at home."

In this category, color and flavor are key factors and a catchy name that means something to children wouldn't hurt (watch "Bob the Builder" or "Thomas the Tank Engine" for inspiration).

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