

GA Project #2:

Iowa Liquor Database

Marketing Campaign Strategy

By Kathleen Sebastian



Objective

- › To determine **marketing budget allocation** by utilizing **consumer purchasing data** from the Iowa Liquor database.
- › Make specific recommendations based on whether to allocate funds for growth opportunity in **small to mid-sized liquor** stores or to consider dealing with brands or types of liquor that already have **large market shares** in Iowa.

About the Iowa Liquor Database

Obtained from <https://data.iowa.gov/Economy/Iowa-Liquor-Sales/m3tr-qhgqy>

- Spirits purchase information in Iowa
 - From Iowa Alcoholic Beverages Commission (Commerce)
- For stores with Class E liquor licensing
 - Convenience stores, grocery stores, and liquor stores
- Overall dataset contains data from January 1, 2012 to present
- Last updated on October 1, 2018
 - Data updated monthly

14.2 M
ROWS

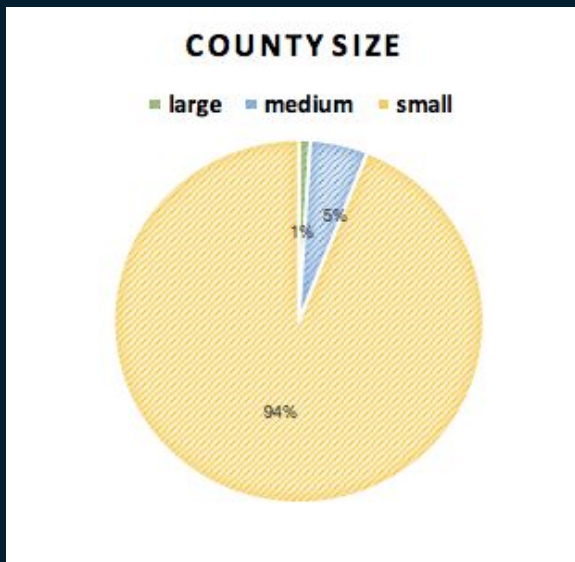
24
COLUMNS

Each row
is an individual product
purchase

Iowa Liquor Database Summary

Counties Table

- › 99 counties
- › 3,046,352 in total population



Products Table

- › 271 distinct vendors
- › 69 liquor categories
- › 973.75 ml in average bottle volume
- › \$111.43 in average case cost
- › \$27.76 in average shelf price

Sales Table

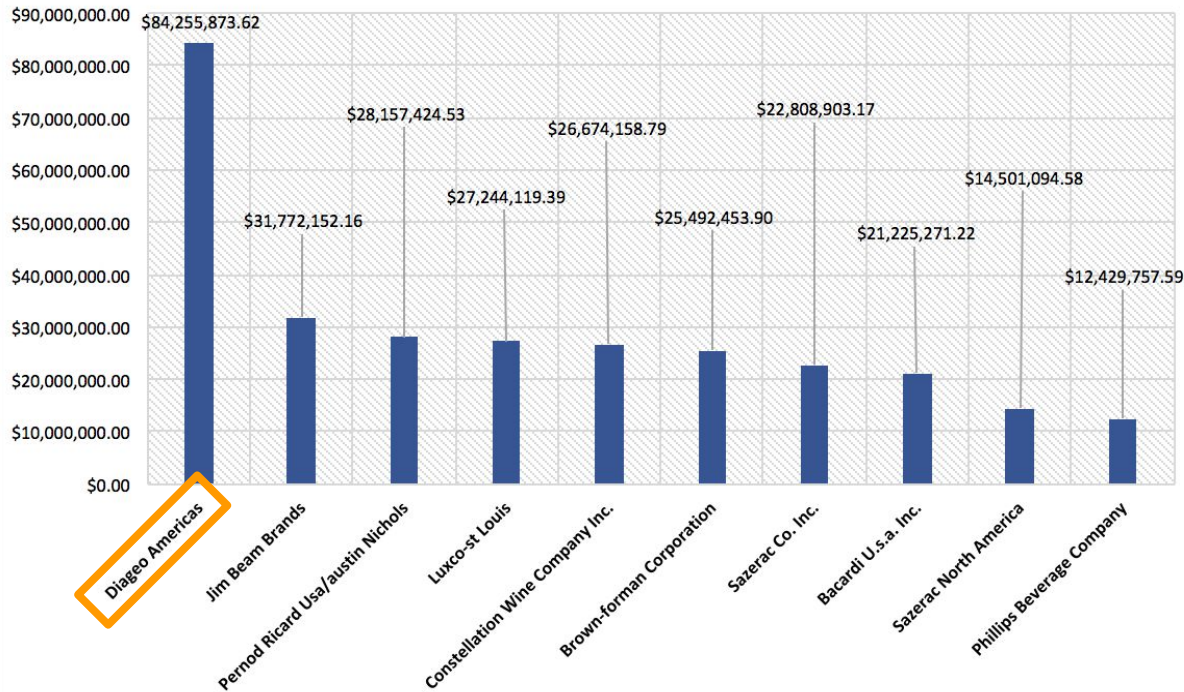
- › \$392,293,023.61 in total sales
- › \$14.35 in average bottle price
- › 68 distinct liquor categories

Stores Table

- › 1863 distinct stores
- › 1425 active stores and 548 inactive stores

Top 10 Vendors By Total Sales Revenue

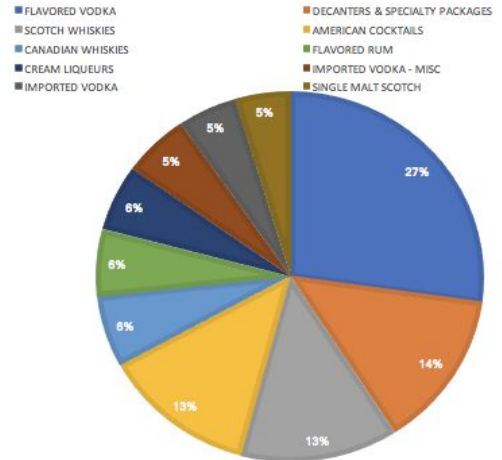
TOP 10 VENDORS BY TOTAL SALES



DIAGEO AMERICAS

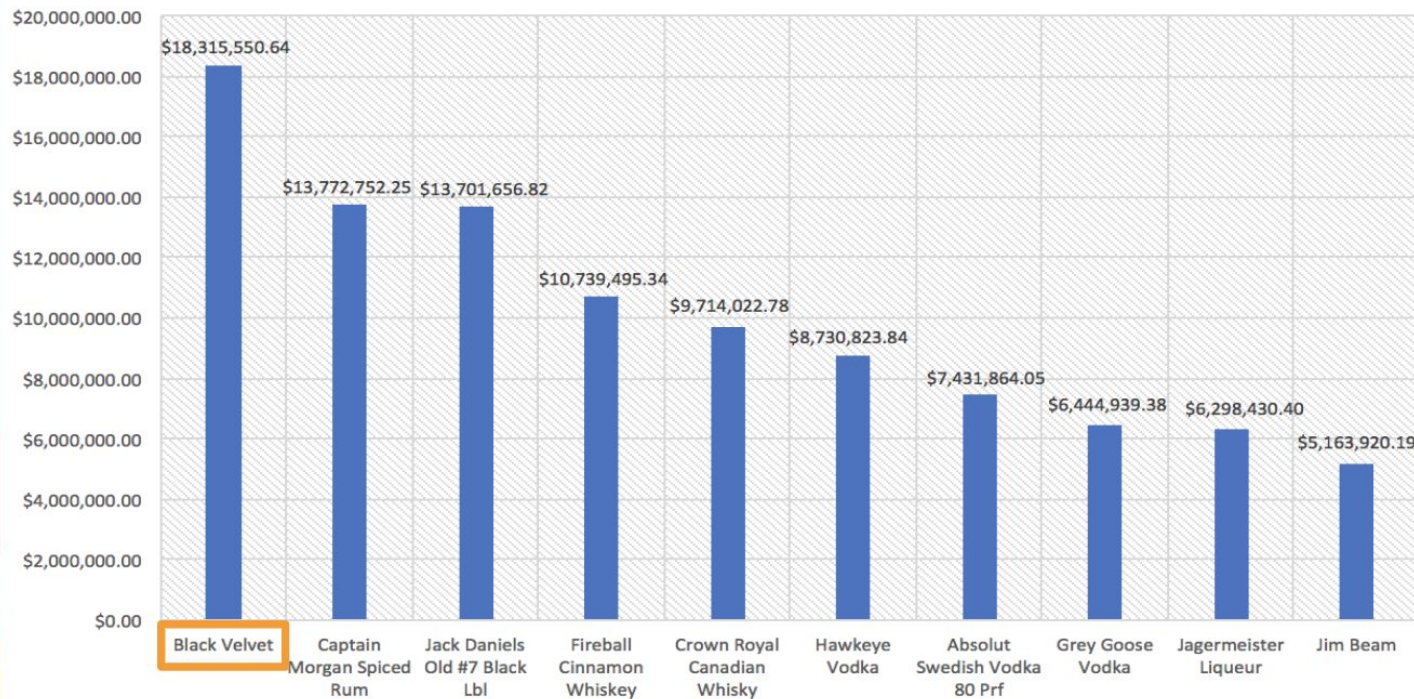
- Average bottle price sold: \$18.16
- Average case cost: \$135.83
- 27% of products distributed (majority) is Flavored Vodka

DIAGEO AMERICAS TOP 10 PRODUCTS DISTRIBUTED



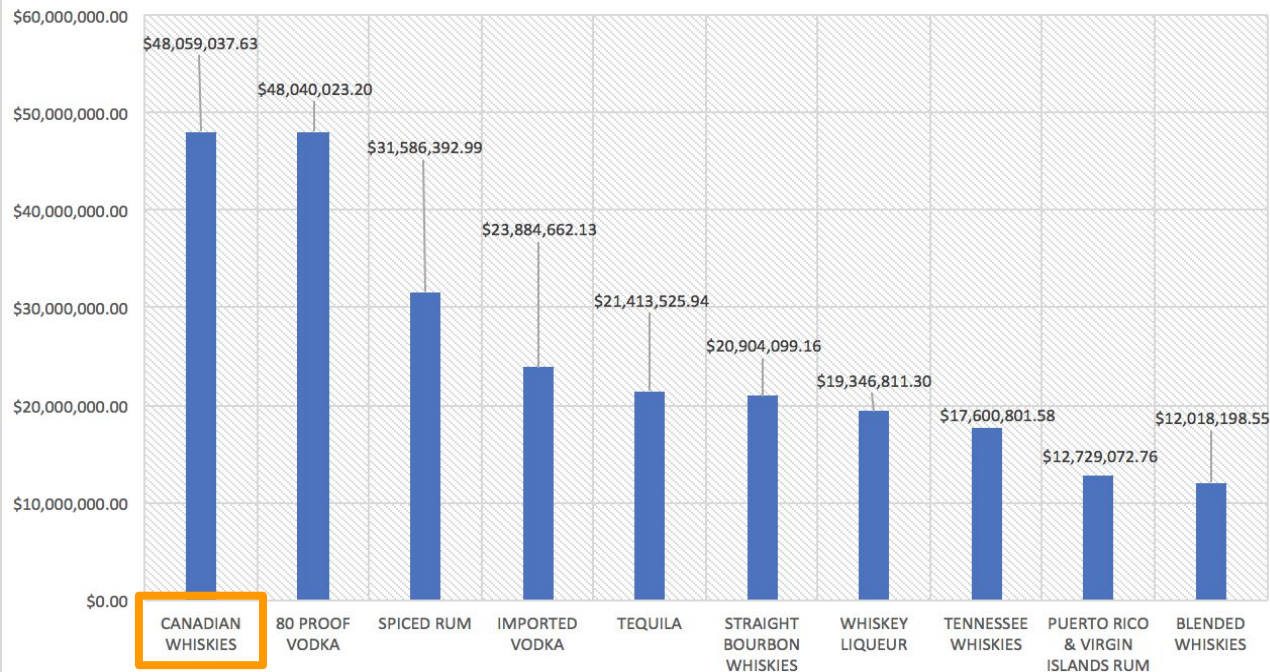
Top 10 Best Selling Product Brands

TOP 10 PERFORMING PRODUCTS BRANDS

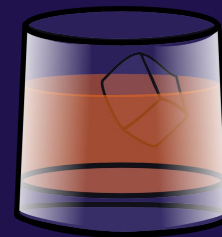


Top 10 Selling Product Categories By Total Sales Revenue

TOP 10 PRODUCT CATEGORIES BY TOTAL SALES

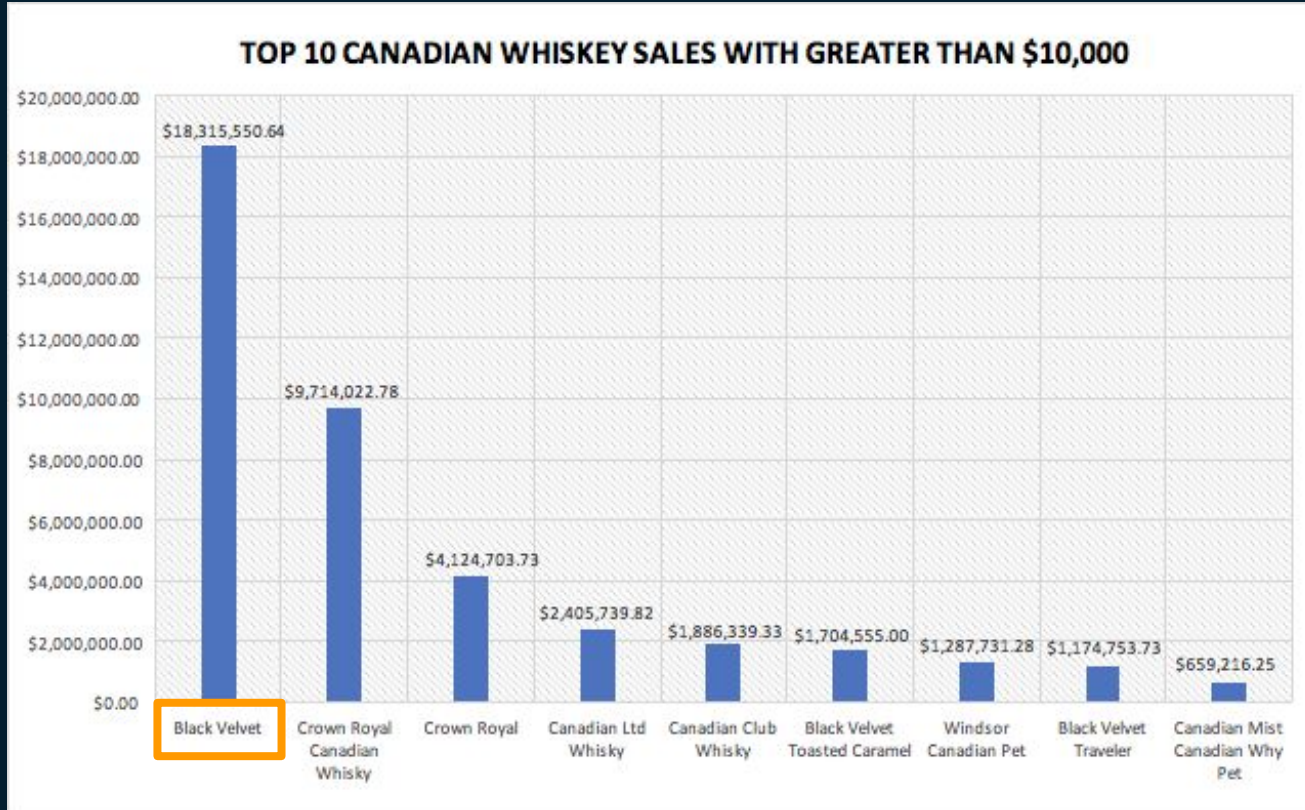


CANADIAN WHISKEY

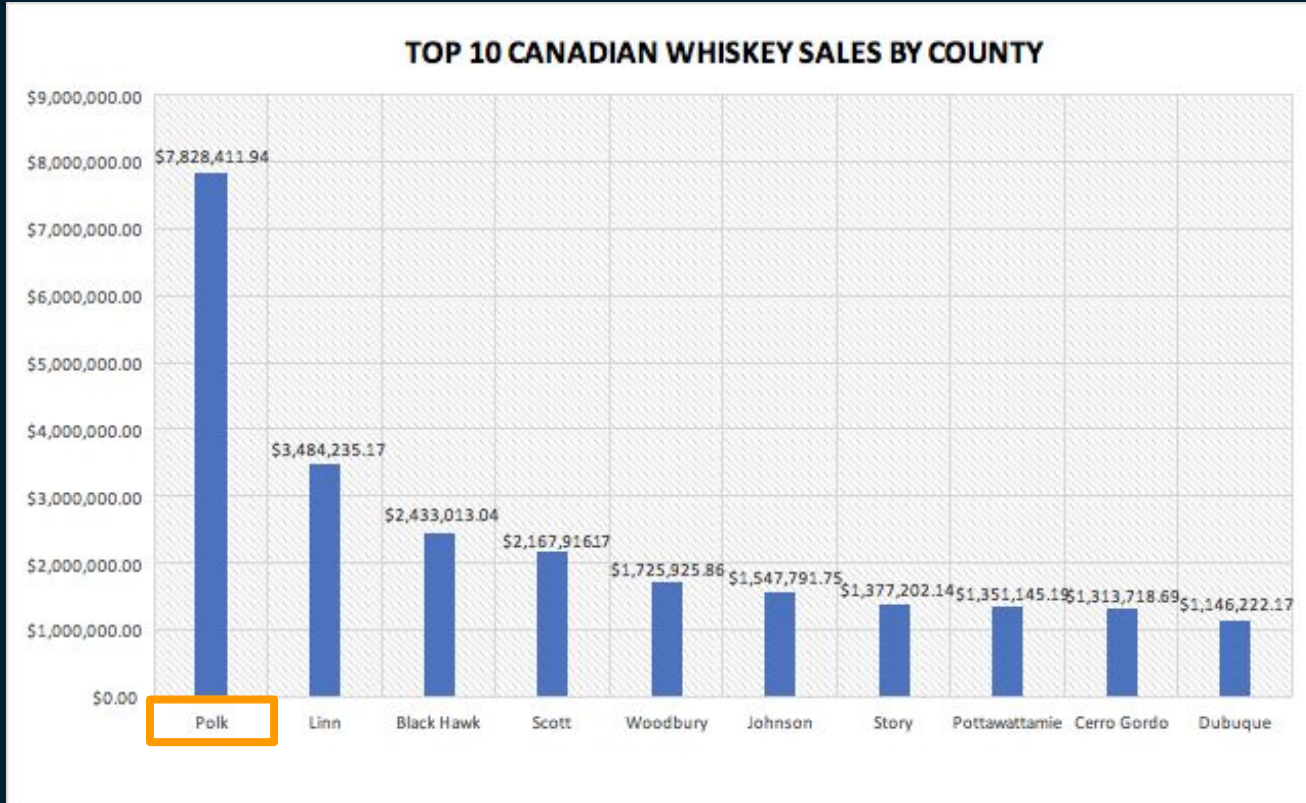


- 81 Canadian Whiskey products with Case Cost > \$100
- 261 Canadian Whiskey products
- Max Bottle Price: \$73.12
- Min Bottle Price: \$0.38

Top 10 Canadian Whisky Product Sales



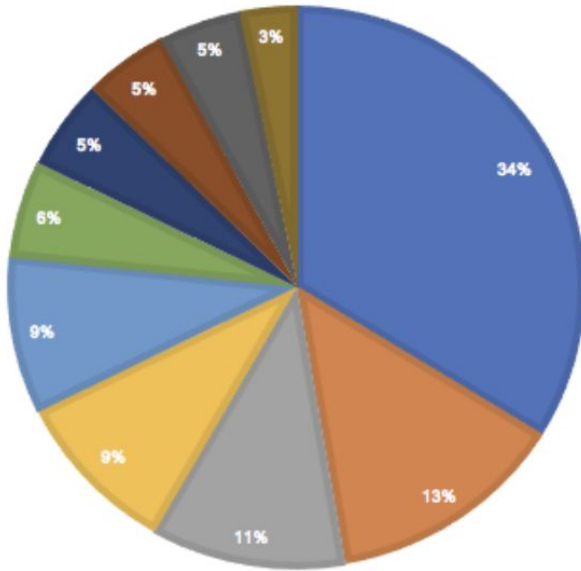
Top 10 Canadian Whiskey Sales By County



Top Performing Counties

TOP PERFORMING COUNTIES BY SALES REVENUE

Polk Linn Scott Johnson Black Hawk Pottawattamie Woodbury Story Dubuque Cerro Gordo



Polk County

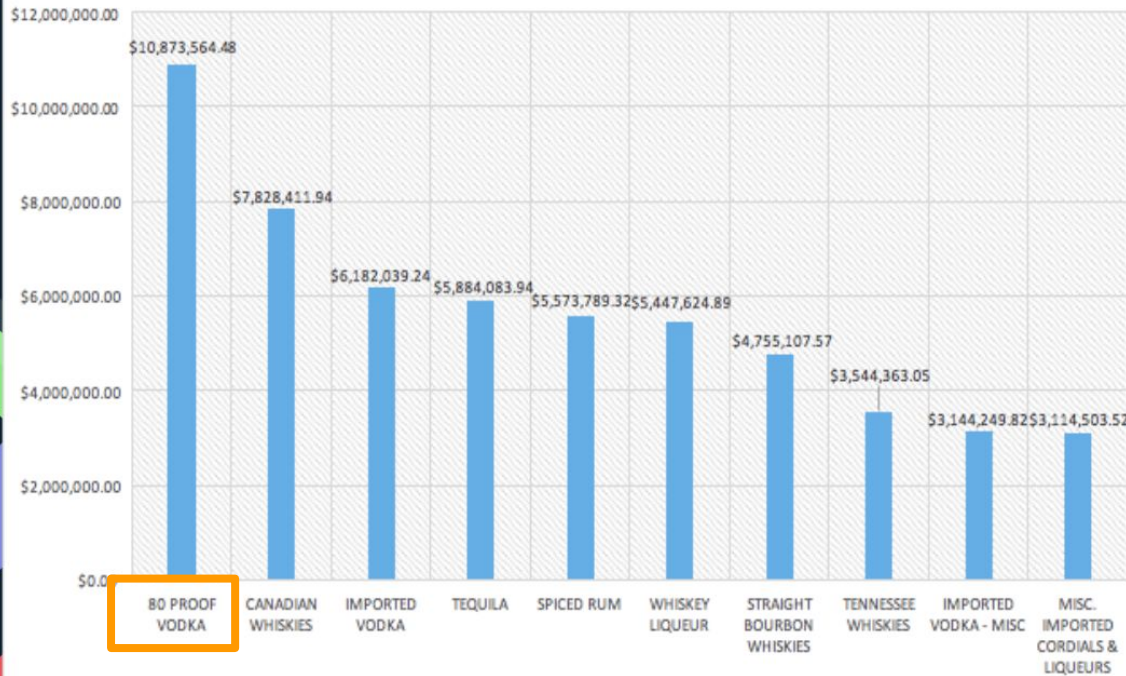
- **Population:** 430,640
 - Also the highest population among other counties
- **Total sales revenue generated:** \$86,397,461.79
 - Contributes to over 22% of liquor sales in Iowa
- **Total Stores in Polk County:** 194



Top Performing County: Polk County

Product Categories & Product Brands

TOP 10 PERFORMING PRODUCT CATEGORIES IN POLK COUNTY



TOP 3 BEST SELLING PRODUCT BRANDS IN POLK COUNTY



Fireball Cinnamon Whiskey

\$3,459,838.72



Jack Daniels Old #7 Black Label

\$2,747,140.41



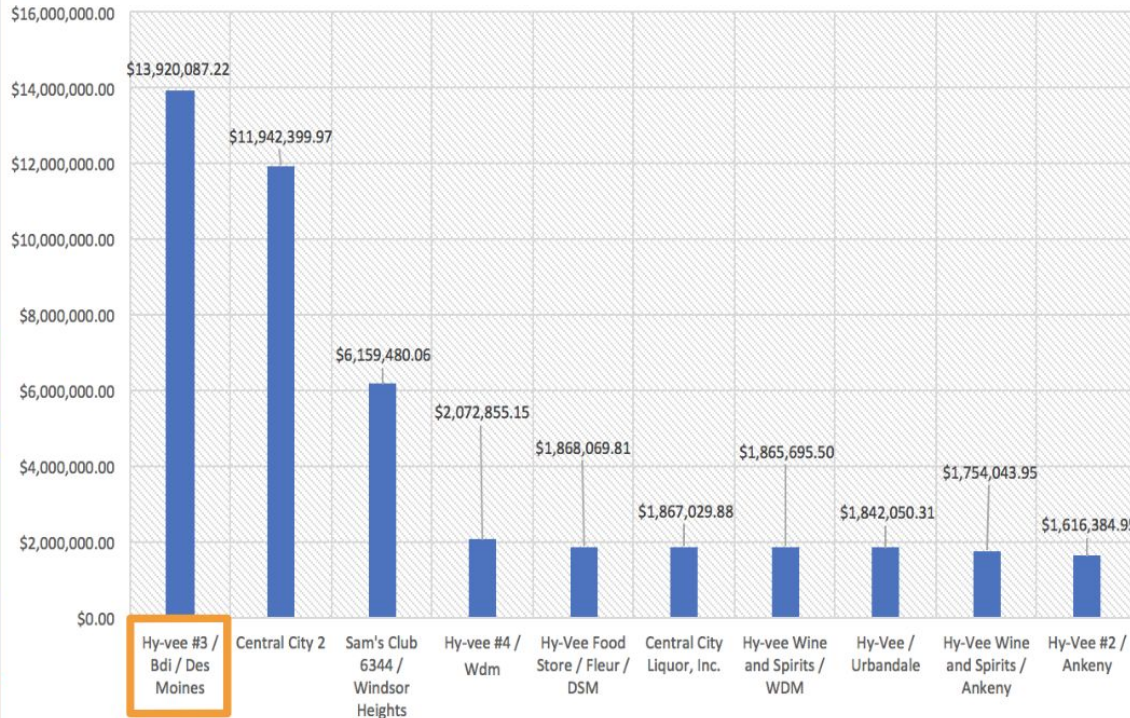
Captain Morgan Spiced Rum

\$2,664,013.60

Top Performing County: Polk County

Stores & Product Categories in Top Performing Store

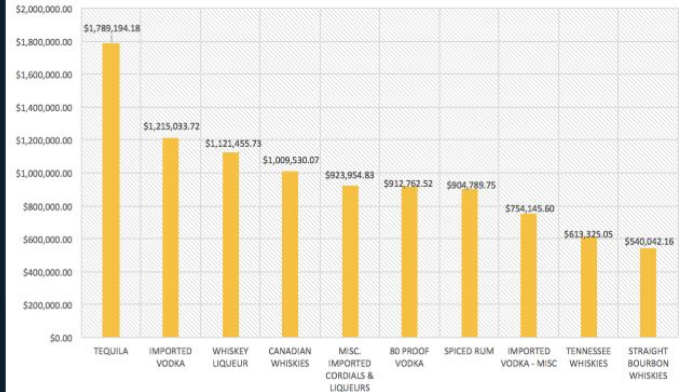
TOP 10 PERFORMING STORES IN POLK COUNTY



HY-VEE #3/BDI/DES MOINES

- Generated \$13,920,087.22 in total sales revenue
 - Captures over 16.11% of total sales in Polk County
- What product categories generated the highest total revenues for the store?**

TOP 10 PERFORMING PRODUCT CATEGORIES IN HY-VEE #3



Top Performing Stores

Top 10 Performing Stores by Total Sales Revenue

STORE NAME	TOTAL REVENUE
Hy-vee #3 / Bdi / Des Moines	\$13,920,087.22
Central City 2	\$11,942,399.97
Sam's Club 6344 / Windsor Heights	\$6,159,480.06
Sam's Club 8162 / Cedar Rapids	\$5,734,721.57
Hy-vee Wine and Spirits / Iowa City	\$5,665,143.70
Costco Wholesale #788	\$4,907,465.88
Lot-a-spirits	\$4,289,169.59
Sam's Club 8238 / Davenport	\$3,308,625.56
Hy-Vee Wine and Spirits #2	\$3,169,984.14
Benz Distributing	\$3,129,506.57

Top Product Brand Sold At Hy-vee #3 By Total Sales Revenue



Fireball Cinnamon Whiskey
\$957,519.36

Top 10 Stores with Average Bottle Price Greater Than \$20



Marketing Recommendations

Based on total sales revenue generated

- **PRODUCTS:**

- **PRODUCT CATEGORIES:** Focus on Canadian Whiskies, 80 Proof Vodka, or Spiced Rum
- **PRODUCT BRAND:** Focus on Black Velvet, Captain Morgan Spiced Rum, Jack Daniels Old #7 Black Label

- **COUNTIES & STORES:**

- **Polk County (large counties)**
 - Focus on 80 Proof Vodka, Canadian Whiskies, or Imported Vodka
 - Work with stores including Hy-vee #3, Central City 2, Sam's Club 6344
- Stores such as Grand Falls Casino Resort, Vom Fass, and Hard Rock Hotel & Casino
 - High average bottle prices

- **VENDORS**

- **Diageo Americas**
 - Products generates over \$84M in total sales revenue
 - Mostly Flavored Vodkas, Decanters & Specialty Packages, and Scotch Whiskies

Data Limitations and Future Analysis

- Ignored null values in the dataset
 - E.g Convenience store column only had null values
- Data included only from 2014-2015
 - Consider including data from a wider range of dates to enhance the validity of consumer behavior and final recommendations
- No information about consumer's attributes included
 - E.g Information about age, gender, and/or other psychographics
 - May important to make more specific decisions about which segments to target, how to alter marketing mix, optimize costs, and determine the marketing channels to use
 - Look at what is happening in the market
 - Sales of other beverages: sodas, beers, wine
 - Other store types: breweries, restaurants, etc
- Track future changes marketing investment
 - Are we improving? Are we getting our return on marketing investment?