



Lucky 7 Distillery

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REVIEW OF TARGET MARKET



THE TARGET CONSUMER

A photograph of a man with light brown hair, wearing a blue button-down shirt, standing outdoors. He is leaning against a large wooden barrel and looking upwards and to his right. The background shows a grassy hillside and a cloudy sky.

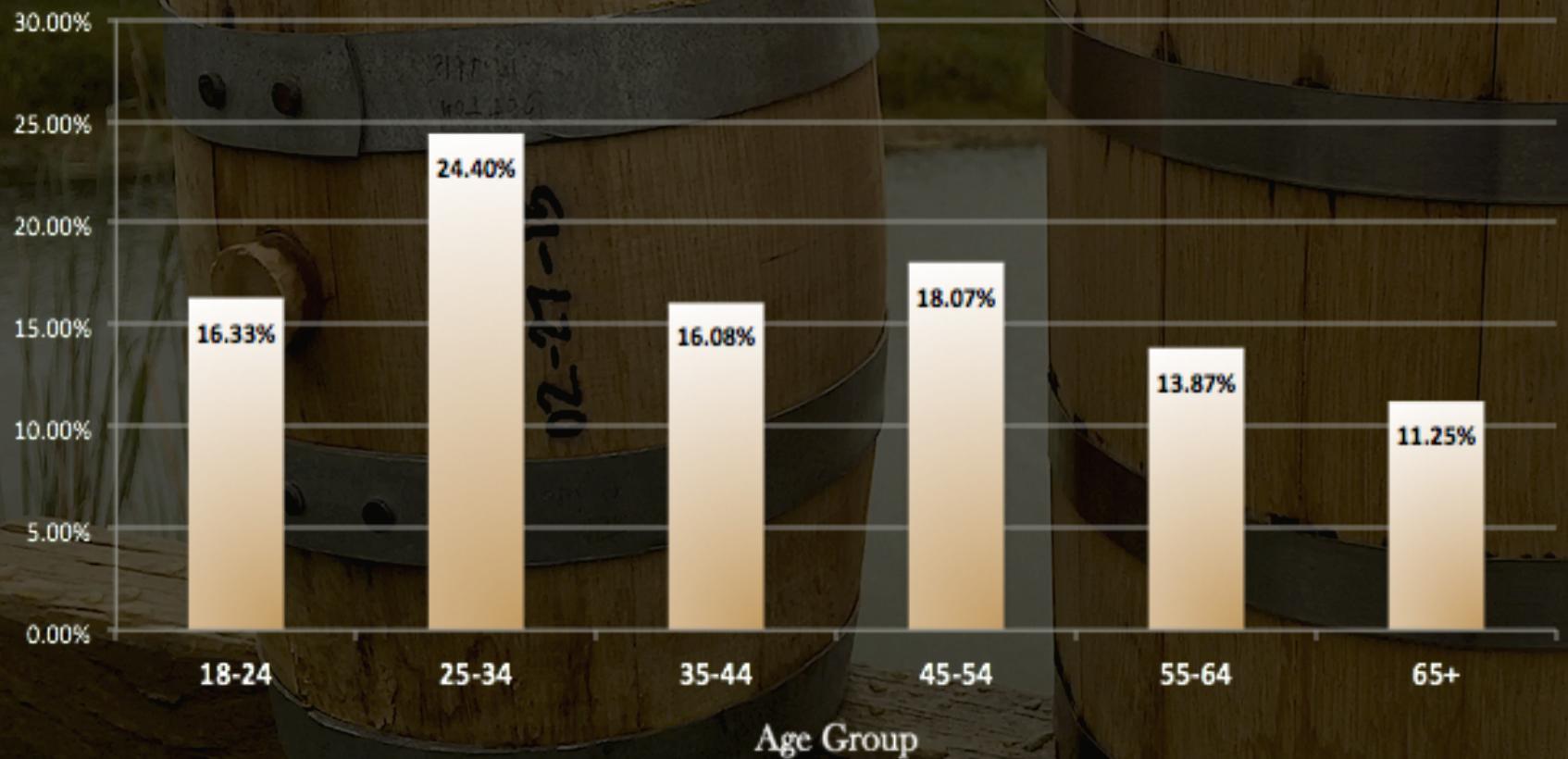
Data Source: Mediemark

Population sample size: 23,700,000/year

Data pulled from 2012 through 2014

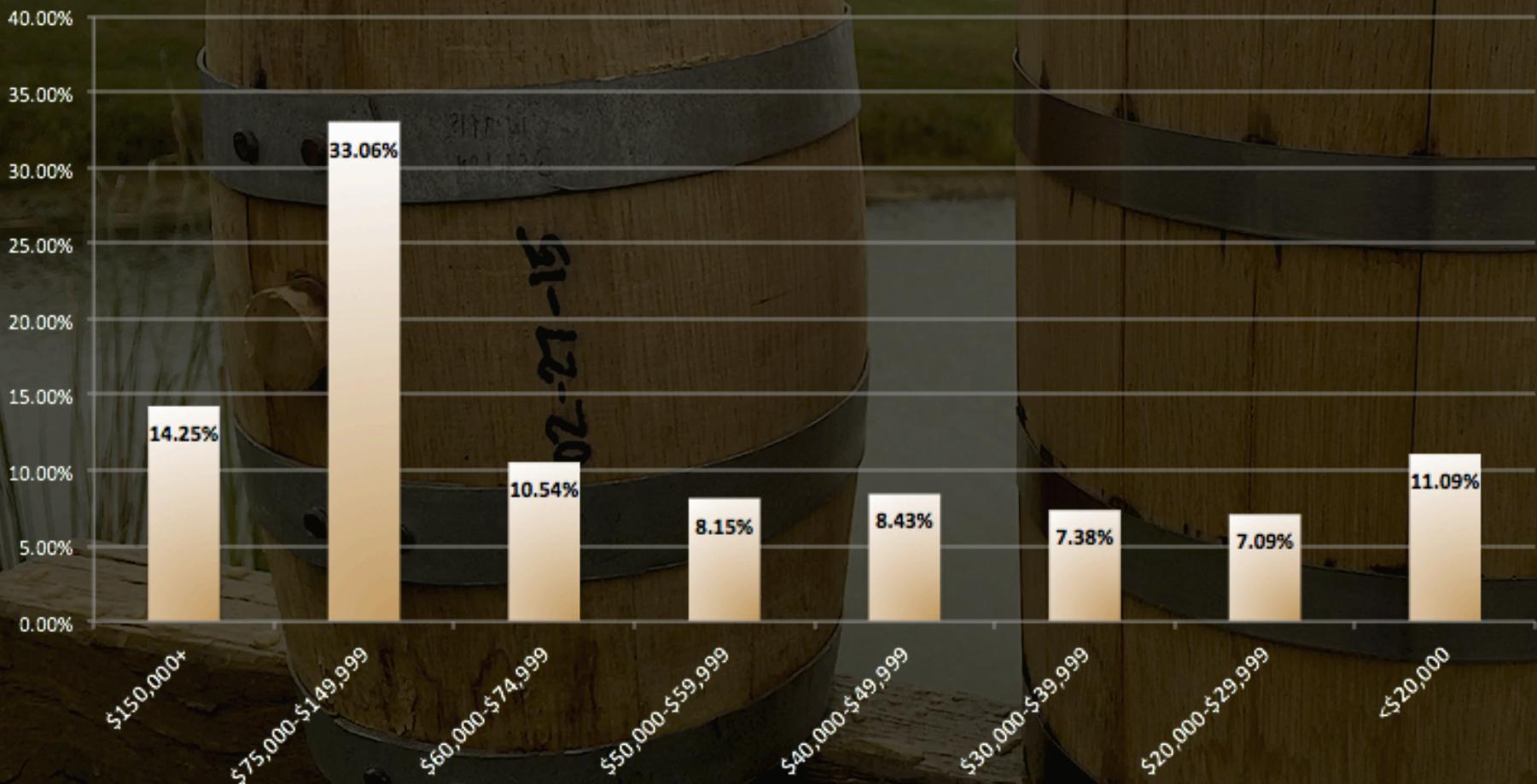
THE TARGET CONSUMER

BOURBON DRINKERS BY AGE



THE TARGET CONSUMER

HOUSEHOLD INCOME



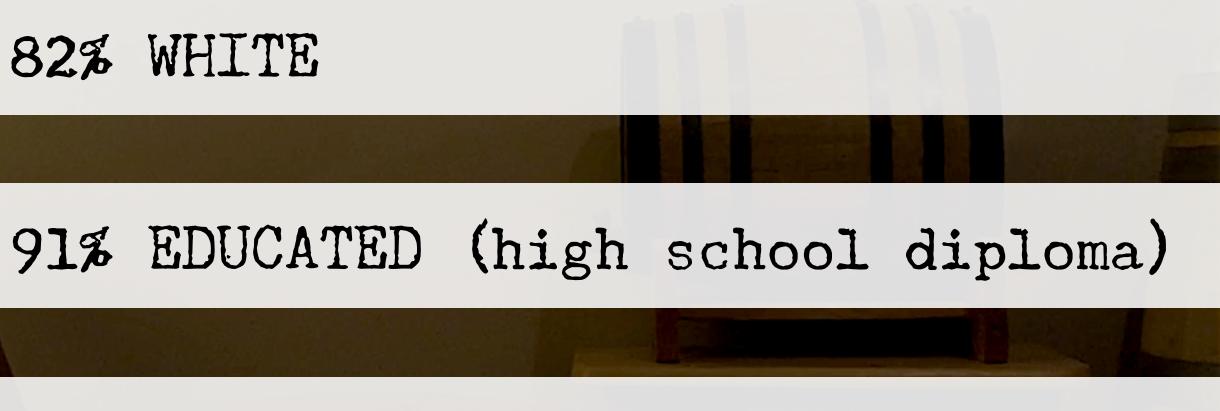
THE TARGET CONSUMER



67% MEN



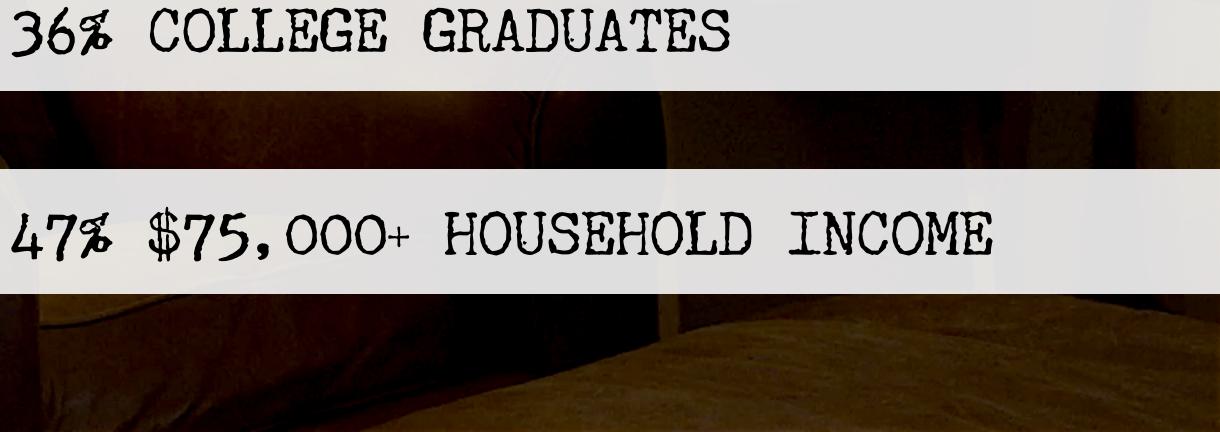
82% WHITE



91% EDUCATED (high school diploma)



36% COLLEGE GRADUATES



47% \$75,000+ HOUSEHOLD INCOME

THE TARGET CONSUMER

Age 25-39

- Characteristics: Individualistic, confident, and impatient
- Technology: Very comfortable with it and use to communicate and interact
- Highly active on Facebook (24.4% of all Facebook users)
- Lifestyle: Demand greater work/life balance; constant multitasking and task (not time) oriented
- Education: Very well educated with most at least graduating college
- Degree of Loyalty: Very low sense of brand loyalty, higher focus on value

Age 40-55

- Characteristics: Proud, self-actualizing, adaptive, goal-oriented
- Technology: Not very tech savvy and do not like to purchase online
- Highly active on Facebook (31.1% of all Facebook users)
- Lifestyle: Strive for personal recognition and fulfillment; larger focus on materialistic gain and personal wealth
- Income: Large amount of disposable income, but spend less as they age:
- Degree of Loyalty: Extremely brand loyal

THE TARGET CONSUMER





THE CHARGE

U Develop digital marketing strategies

U Develop traditional marketing strategies

U Benchmark competitors' digital presences

U Construct an integrated project management timeline and calendar



LUCKY 7
EVENTS

02-27-15

SOCIAL MEDIA CHALLENGES



Example: Best Blackhorse Bourbon mixed drink

Participant with most likes wins

Share winning recipe on website & Facebook

Offer free tasting or bottle as prize



BLACKHORSE BOURBON APPAREL



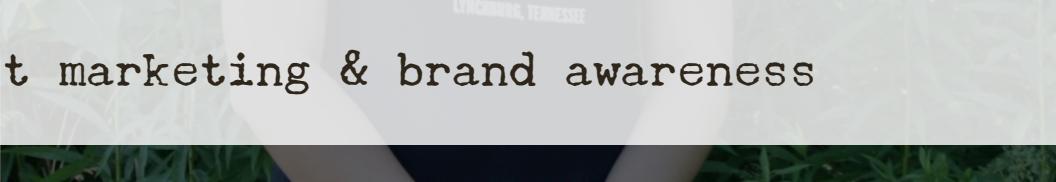
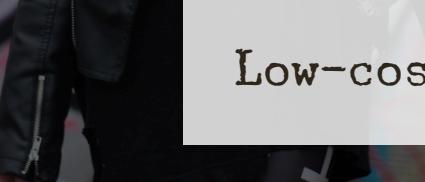
Sell various apparel online



Offer free giveaways at events



Aspirational appeal of sophistication



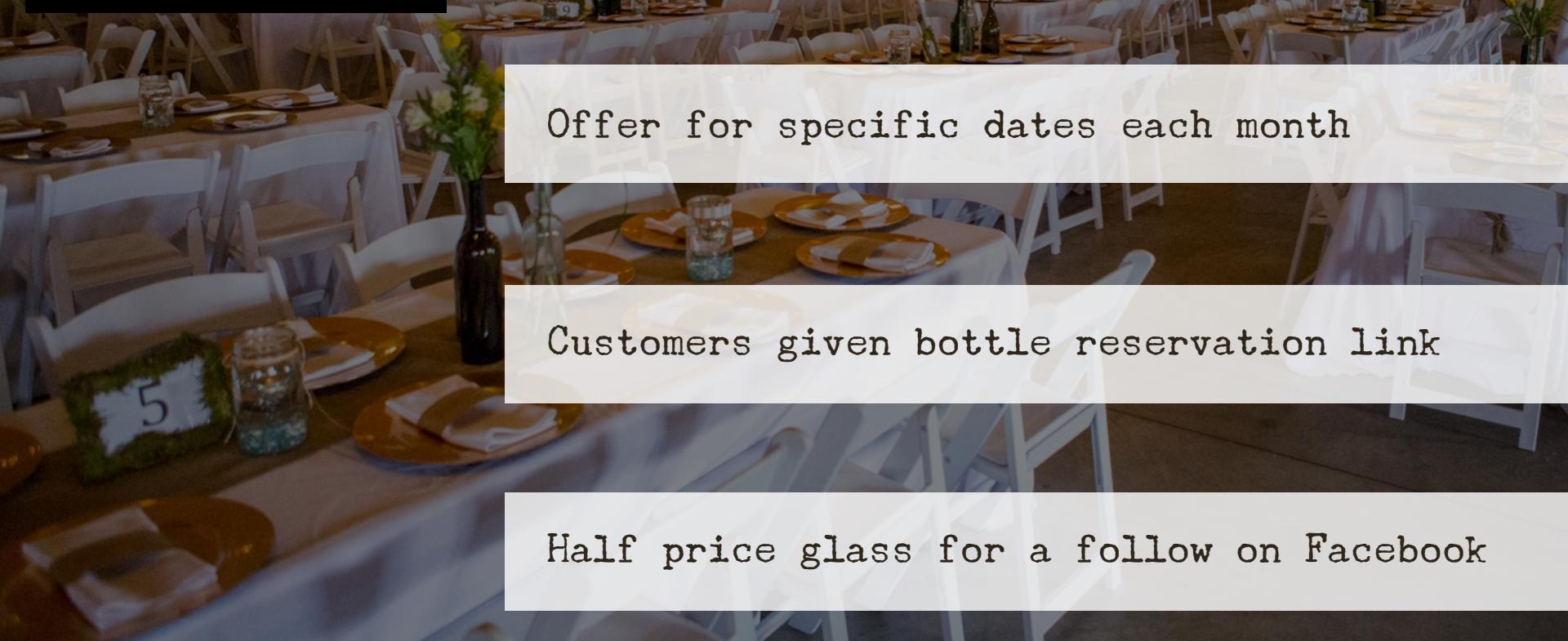
Low-cost marketing & brand awareness



WALHILL FARMS DIGITAL COUPONS



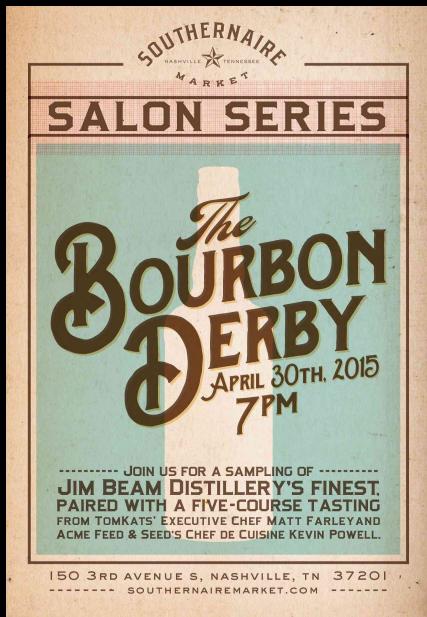
Free glass of Blackhorse with entrée



Offer for specific dates each month

Customers given bottle reservation link

Half price glass for a follow on Facebook



LUCKY 7 TASTING EVENTS



Tasting events before and after release

Primarily feature Blackhorse Bourbon

Promote website and bottle reservations

Pair tasting with another activity/holiday

Lucky 7 Distillery Presents:

The Nineteenth Hole

a Blackhorse Bourbon tasting event



CIGAR NIGHTS



Host at privately owned venue

Coincide with event like Opening Day

Create social club ambiance

Public event with RSVPs & max guest amount

POKER TOURNAMENT



THURSDAY SEPTEMBER 30TH 2010
AT THE MERCURE HOTEL AUCKLAND

TICKETS \$60
(INCLUDES SOME FINGER FOOD & POKER)
TABLES (8 PEOPLE) \$400
CELEB TABLES \$800
CASH PRIZES, CELEBRITY GUESTS, SPECTACULAR AUCTION ITEMS, PRIZES, INEXPENSIVE DRINKS & A CHANCE TO RAISE MONEY FOR A GREAT CAUSE!

6.30PM
LEVEL ONE
HAURAKI GULF ROOM
THE MERCURE HOTEL
8 CUSTOMS STREET



EMAIL
AMANDA McARTHUR ON
a_manda_ryn@hotmail.com
OR CALL 0210308098
AND BOOK A TABLE
TODAY!
THANKS TO
PokerNZ.com

POKER NIGHT



Private event for a limited number of guests

Host in game room and incorporate tastings

Buy-in includes bourbon and appetizers

Build loyalty of select few Blackhorse fans

LUCKY 7 DISTILLERY TOURS

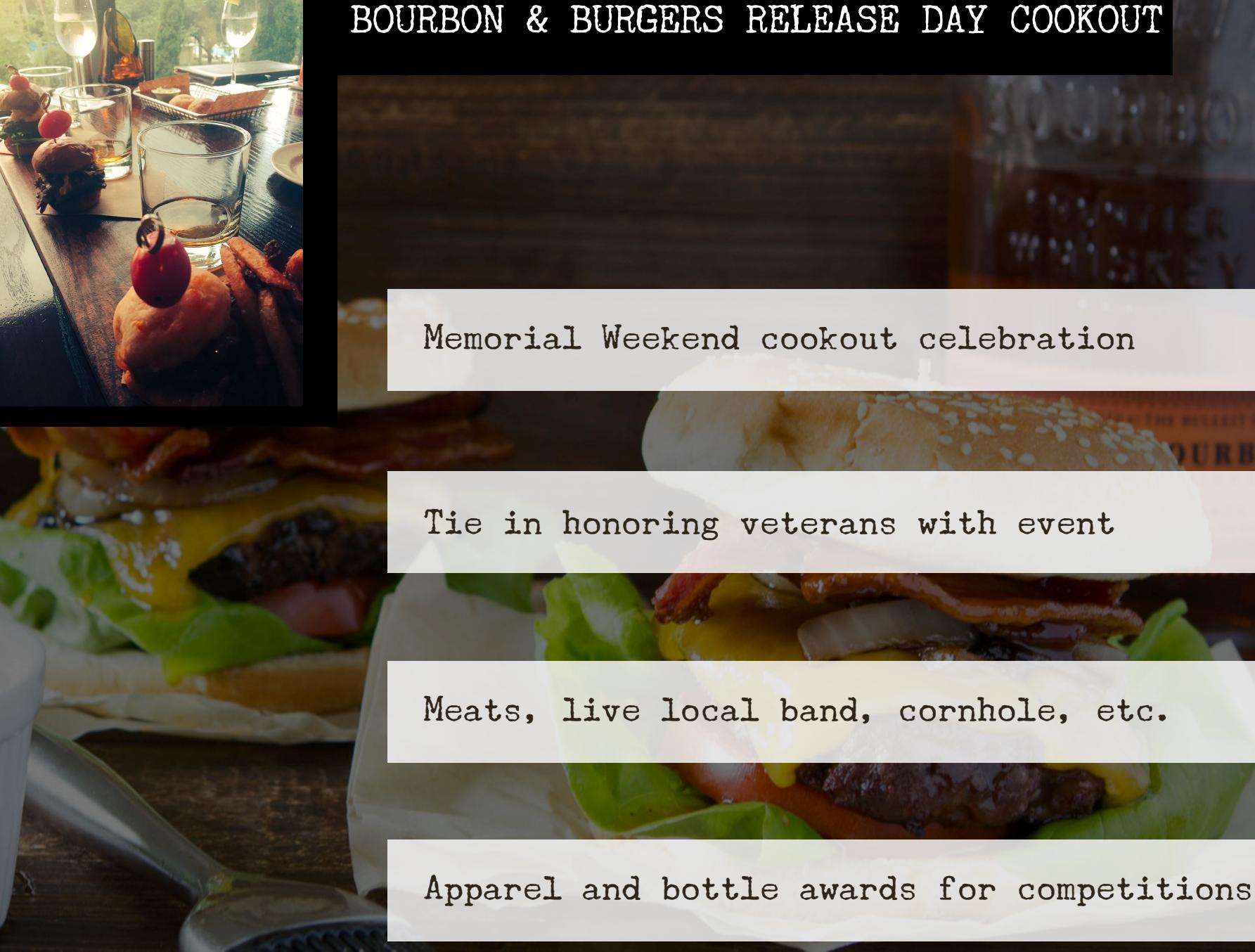


Distillery tours before and after release

Explain science behind process

Company history & entrepreneurial insights

Specially marked "tour" bottles for sale



BOURBON & BURGERS RELEASE DAY COOKOUT

Memorial Weekend cookout celebration

Tie in honoring veterans with event

Meats, live local band, cornhole, etc.

Apparel and bottle awards for competitions

LUCKY 7 EVENTS

COST BREAKDOWN

• Social Media Challenges:	\$ 0
• Blackhorse Bourbon Apparel:	\$ 800
• Walhill Farms Digital Coupons:	\$ 240
• Lucky 7 Tasting Events:	\$ 1,125
• Cigar Nights:	\$ 650
• Poker Night:	\$ 1,275
• Lucky 7 Distillery Tours:	\$ 0
• Bourbon & Burgers Release Day Cookout:	<u>\$ 1,635</u>
Total:	<u>\$ 5,725</u>

COST BREAKDOWN EXAMPLE

Event:

Release Day Cookout

One-Time Event (Y/N):

Yes

Number of Events this year:

1

Costs:

- Local Band:	\$ 750
- Food & Drinks:	\$ 400
- Tent/Tables/Chairs Package:	\$ 285
- Cornhole/Bean Bag Sets (2):	\$ 200
- 20x30 Ft. Tent:	\$ 170
- White Folding Chairs (64):	\$ 96
- 8 Ft. White Table (8):	\$ 52
Total:	<u>\$ 1,635</u>



A photograph of a bottle of Black Horse Bourbon Whiskey sitting on a weathered wooden dock. The bottle has a light-colored label with a black silhouette of a horse and the text "BLACK HORSE", "BOURBON WHISKEY", "Single Barrel", "375 ml", and "Proof". The background shows a calm lake with trees in the distance under a cloudy sky.

SOCIAL
MEDIA

SOCIAL MEDIA

	FACEBOOK	TWITTER	YOUTUBE	LINKEDIN
CURRENT TOTAL USERS	1.49 billion	316 million	1.05 billion	380 million
PERCENTAGE MALE USERS	66%	24%	58%	28%
PERCENTAGE COLLEGE EDUCATION USERS	72%	27%	36%	46%
PERCENTAGE \$75,000+ INCOME USERS	78%	26%	46%	26%
UNIQUE ADVANTAGE	- 18-minute average visit time - 50% of users active every day	- 85% of users "more connected" to businesses they follow	- Second largest search engine in the world	- B2B marketing - Adult (30-49) demographic

SOCIAL MEDIA

BEST PRACTICES

- Main goal is to attract comments, likes, and shares
- Posts should be interactive and provide value to followers
- Develop unique relationship with followers; have a brand voice
- Post at regular, frequent intervals
- Share all content across social media presences - be consistent
- Share content relevant to your consumers; i.e. news about cigars or sports

SOCIAL MEDIA

SAMPLE POSTS

Customer Engagement Post



SOCIAL MEDIA

SAMPLE POSTS

Event/Promotional Post

 **Joe Myers**
3 mins · 

Join us at the distillery out at Walhill Farm on May 30 and enjoy a cookout and live music to celebrate Memorial Day and the release of Blackhorse Bourbon! Event will run from 4 - 9pm! Blackhorse will be available for purchase.

 Like  Comment

 Write a comment...  

Press Enter to post.

SOCIAL MEDIA

SAMPLE POSTS

Holiday/Seasonal Themed Post

 **Joe Myers**
2 mins • 🔒 ▾

Summer just got a little cooler. #BlackhorseBourbon



 Like  Comment

 Write a comment...  

Press Enter to post.

SOCIAL MEDIA

SAMPLE POSTS

Raffle Post

Joe Myers
6 mins · ▾

Bring in 2016 with some Blackhorse Bourbon! Share this post to be entered into a raffle to win your very own bottle! Winner will be chosen on January 2. Stay tuned!

Like Comment

Write a comment...

Press Enter to post.

SOCIAL MEDIA

SAMPLE POSTS

Miscellaneous Post

 Joe Myers

Just now • 

Pull ahead of the pack. #BlackhorseBourbon

 Like  Comment

 Write a comment...  

Press Enter to post.

SOCIAL MEDIA

COMPETITOR BENCHMARK



Kinsmen Distillery

September 23 ·

Join us this Friday from 3-6 for a tasting of our #old55 Corn Whiskey!
#heartcut #fieldtobottle #indianamade

Davis Drug

300 S Perry St Attica, IN 47918



Kinsmen Distillery

September 7 ·

Happy Labor Day from #old55!
#heartcut #fieldtobottle #indianamade



Bear Wallow Distillery added 2 new photos.

October 15 at 5:39pm ·

Our Gnaw Bone Bourbon shirts arrived today! This gentleman was our first customer to purchase one. Stop by the distillery this weekend and pick one up for yourself!





ADDITIONAL INSIGHTS

Copper King

CREATE DISTILLERY CULTURE

- First step is to clean and renovate the garage
- Distillery tours cannot begin before this
- Cigar/poker nights could be held here
- Must convey sophisticated & classy tone
- Transform into lounge with bar, TV, etc.



PRODUCTION/REVENUE

- Projected annual sales: \$100,000?
- Base sales goal on production abilities
- Created Excel Sheet
 - Inputs: selling price, COGS, target sales
 - Outputs: # bottles need to sell, profit, production breakdown
- Performed cost/revenue analysis with 4 possible price points: \$25.99, \$27.77, \$29.99, \$32.99

Cost per Bottle
Grain: \$0.50
Yeast: \$1.00
Barrel: \$1.50
Bottle: \$1.25
Label: \$1.00
Excise Tax (S): \$0.27
Excise Tax (F): \$1.21
Sales Tax: \$1.40
Distributor %: \$3.75
Total: \$11.88

PRODUCTION/REVENUE EXPANDED

Selling price per bottle \$27.77
- Cost per bottle \$11.88
Profit per bottle \$15.89

Wanted Sales (Revenue) : \$100,000.00
Need to Sell: 3,602 bottles ($100,000 / 27.77$)
Profit at 3,602 bottles: $(3,601 * 15.89) = \$57,235.78$

PRODUCTION/REVENUE FINDINGS

- All of the price points require annual production to be over 3,000 bottles with current sales goal of \$100,000
- Expanded: Based off \$27.77 selling price (need to sell 3,602 bottles)
- Monthly Production & Sales Needed: 300 bottles / month
Weekly Production & Sales Needed: 69 bottles / week
Daily Production & Sales Needed: 10 bottles / day

FINANCIAL SUGGESTIONS

- Must map out financials with Excel sheet based off of production capabilities
 - *Then, create sales goal based off of capable production*

- Based off of current \$100,000 sales goal, supply needs to be significantly increased
 - Consider production during the week
 - Consider hiring employee(s) to help with production
 - Consider purchasing in bulk with possibility of lowering COGS, therefore reducing the margin and increasing profit per bottle

LUCKY7DISTILLERY.COM

- Website and bottle reservation system should be running before promotional events begin
- First thing customers will try to do is research Lucky 7, Blackhorse Bourbon, or Walhill Farms online
- Competitor benchmark: Kinsmen Distillery has an excellent website to use as a reference
- Website Mockup

CALENDAR

2010

Lucky 7 Distillery Project Management Timeline

12/12-1/09 4 wks. Create/Link Twitter, Instagram, & Facebook Accounts

12/12-1/30 7 weeks Website Mockup & Design

12/19-01/30 6 weeks Design & Order Apparel

01/05-02/16 6 weeks Clean Out Barn/Garage

02/06-03/19 6 weeks Add Electrical/Heating/AC to Barn

02/06-03/19 6 weeks Paint and Restore Interior of Barn

03/05-04/16 6 weeks Add Bar/ Furniture/TVs/Décor to Barn

12/12-05/15 22 weeks

Build Up Product Supply

05/01-05/30 Prepare for Product Launch Party

04/16-09/30 18 weeks Offer Weekly Distillery Tours & Tastings

12/12-09/30 36 weeks

Launch/Maintain Social Media Campaign

December

January

February

March

April

May

June

July

August

January 30
Website
Launch

April 16
Completed
Renovation
of Barn

May 15
Sufficient
Product
Supply

May 30
Product
Launch



AN UNBRIDLED SPIRIT