



TWOTWENTY

***KEY INSIGHTS FROM CONSUMER FOCUS
GROUPS AND SECONDARY RESEARCH***

MKT 512

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We conducted a focus group with 10 wide ranging alcoholic beverage consumers

Participants were selected based on their varied lifestyles:

- Health conscious body builders
- Former bartenders and mixologists
- Hard partiers and ravers
- Quiet night introverts
- Outdoors enthusiasts

These participants were chosen to provide a full picture of different views from hard seltzer consumers.

TwoTwenty's goal is to learn from the community of hard seltzer drinkers so that they can target a niche within that market that aligns with their brand's positioning.



TwoTwenty's existing target consumer profile

- Consumers aged 21-35, outgoing, health conscious, affluent.
- TwoTwenty is targeting consumers who like to go out for events and have large active social circles.
- Consumers should identify with the colourful and bold branding, seeing it as an extension of their own personal brand.

As TwoTwenty looks to launch in the US, focus groups help to identify if the target consumer exists in potential regional markets such as here in LA.

This can be verified with quantitative research after confirming if a regional market shows promise.



Hard Seltzer consumers enjoy drinking regularly

- Focus group consumers were forthright in their interest in drinking
- 7/10 mentioned drinking at least 3 weekends a month
- Participants mostly agreed that they typically enjoy 3-5 drinks whenever they go out

"I think about my drinking as 'work hard, play hard'"

"I like to drink seltzer with food way more than I do beer"

"The only time I drink seltzer is when I know I'm drinking with other people"

"I'm going for a seltzer when it's cheaper than anything else"

But interest in seltzers is highly situational

- More of the men felt they'd choose beer over seltzer, while women leaned more to seltzer
- Seltzers were universally preferred based on drinking arrangement
 - Day drinking, tailgates, outside events, beaches

"If I know I have friends coming over, I will pay the premium for High Noon because I know it is good."

Brand Perceptions and Loyalty



- Low brand loyalty across the category; consumers generally choose based on flavor and price, switching brands frequently.
 - One participant is loyal to Cutwater, another participant mentioned tendency to reach for the same brand, probably High Noon.
- Low brand loyalty across the category presents an opportunity for TwoTwenty to gain market share.

"I don't care what the company is, I just look for the flavor I'm interested in"

"It's a very transactional relationship... it's really just a means to an end"

"I don't feel any real loyalty, but I definitely know the brands I don't like!"



“perfect sweetness”
“doesn’t smell fake”

Sensory Preferences and Flavor Profile

- Based on a New York Times article, we found that consumers are increasingly drawn to hard seltzers with natural, refreshing flavors and balanced sweetness, favoring options with authentic, fruit-like profiles over those that taste overly synthetic or sweet ("The Best Hard Seltzers," 2023).
- TwoTwenty's focus on true-to-flavor profiles (without artificial additives) matches consumer interest in natural, refreshing flavors.
- Participants expressed a desire for innovation in flavors (e.g., lychee, smoothie-inspired) and less traditional flavor profiles to differentiate from the current offerings.

“I love how it has low carbonation, so much easier to drink”

“A little flat, could use more carbonation”



“better than Truly”

“I don’t taste the hangover”



Health and Image factors



The low-calorie, low-sugar nature of hard seltzers appealed to more health-conscious drinkers within the focus group. Danny, a body builder, was particularly happy with the 97 calories noting, **"If you add 1 more gram of sugar that's an additional 4 calories."**

Health conscious participants demonstrated a clear preference for drinks with health related messaging. Packaging and design heavily influenced the consumer's perceptions. With simplicity and "natural" cues suggesting a healthier choice. **"I really like all the sentiments of the packaging."**

This aligns with secondary research indicating that packaging affects perceived healthiness and taste (Woolderink, 2022).

Market Trends and Growth Opportunities

- Consumers expressed growing disinterest with the hard seltzer market. Multiple participants stated it had become “boring” and “needing something new”.
- Other participant felt that there was little innovation or excitement, with many of the brands appearing very similar to one another.
- There was noted interest among some of the heavier drinkers for larger format seltzer options such as bigger can sizes, and even kegs for parties and bars.



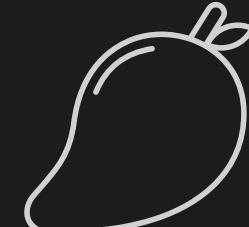


Marketing Strategies

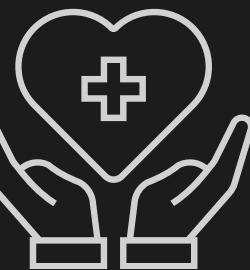
based on participant feedback



The idea of “seeing life in 220 degrees,” - promoting presence in the moment and guilt-free enjoyment



Commitment to true-to-flavor ingredients, free from artificial additives



Low-calorie and low-sugar content of TwoTwenty for a health-conscious target audience



Events that reflect TwoTwenty’s adventurous and active spirit



Conclusion and Next Steps for Quantitative Research

Focus group results show consumers of hard seltzers have little brand loyalty and base their purchase making decisions largely on price and flavor. Very few, if any, of the participants seemed to spend any thought on 'seeing themselves' in any one brand.

However, there were a small number of participants who did have an interest in a healthier, higher quality seltzer (a bodybuilder and mixologist), aligning with TwoTwenty's target demographic.

The target consumer is likely a sophisticated, health conscious individual with a higher willingness to pay for premium products.

Quantitative research will be focused on further defining characteristics of this health conscious and sophisticated consumer, as well as the volume of these types of consumers identified in the focus group that are present in LA.

Additionally, we would be well served in our efforts to identify what, if anything, would encourage a consumer to have brand loyalty towards a hard seltzer, given the lack thereof we've identified so far in our research.



Appendix

QUESTION GUIDE

Discussion Notes

Secondary Research



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