## **Case Study: Drinkworks**





## Learn, Make, Test: The creation of a successful launch

#### The Challenge

They say hindsight is 20/20 and this adage rings true for brands that go to market without sufficient preparation. In fact, it is estimated that of the 30,000 new consumer products that are launched each year, up to 95 percent fail. When the world's largest brewer, Anheuser-Busch InBev (AB InBev), and America's original single-serve coffee maker, Keurig, came together to create the first ever single-serve pod-based cocktail system, they wanted to get it right.

Before this intuitive partnership was formed, each company had gone through its own early iterations of launching, and discontinuing, new products and programs. Through both successes and failures, they learned. A lot. They took advantage of these learnings to form a joint venture, Drinkworks, which combined Keurig technology and AB InBev alcohol expertise to bring single-serve adult beverages into the home. Avoiding past hiccups, the company wanted to make sure that its new product, Home Bar, was a success. Drinkworks turned to AMC Global for a new approach that would help avoid past mistakes, and build on past achievements.

"One of our core principles since the creation of Drinkworks is that we make the user the hero, which requires that we deeply know our users' motivations...with creative and non-traditional approaches, we validated innovation concepts and the essence of our new-to-world business model."

- Nathaniel Davis, President & CEO, Drinkworks, on the role of research *in the company's success* 

#### The Research

AMC Global and Drinkworks landed on a lean approach that utilized a "test and learn" model, an approach that provides a unique opportunity to view a product or brand through a new lens. While this model can take many forms, for this project, the team took a comprehensive approach that could provide fast, accurate and actionable insights at every step along the way.



### Some of the tactics used in the test market environment included:

- Awareness, usage and equity tracking was used to gain a broad, market-level perspective and understand how awareness and trial were growing in the key launch markets over time. This also helped to define brand values and personalities.
- **Shop-alongs and mobile in-the-moment research** to provide shopper perspective, in-store and at the shelf, that could advise POS, packaging and possible barriers to purchase.
- An "insiders" group, initially of AB InBev employees, who gained early access to the test product in
  order to understand user experience. This was immediately followed up with AMC Global's proprietary
  ResponseCash® PFU (Purchaser Follow-Up) methodology and in-home ethnographies to
  help guide product development.
- Finally, in order to tell the whole story in a compelling way, we leveraged a thoughtful **combination of qualitative and quantitative research** to provide strong evidence-based insights that added a layer of confidence to decision making.

The research plan allowed the team to see the launch from all possible angles, and was nimble enough to empower Drinkworks to learn what to change, make the change and test the change. It connected directly with consumers at critical points along their journey, resulting in a deeper understanding of Drinkworks customer.

#### **The Results**

Several things were uncovered in the test environment which allowed the company to pivot and make changes before launch. Some of these included using AMC Global's ResponseCash® PFU<sup>™</sup> (Purchaser Follow-up) methodology to recruit a quantitative base size of actual product purchasers, which showed interesting findings regarding glassware usage that resulted in the development of a larger drink pod. Another included in the moment research that showed that the product's Quick Start Guide was not optimized, a situation that was also able to be quickly resolved.

Ultimately, Drinkworks is an organization that is willing to adjust its strategy based on the results of consumer research—however many times it takes. Every step of the way, Drinkworks allows an unbiased understanding of its consumers and their needs to power the path forward.



Drinkworks has already begun to see the benefits of their test and learn strategy. With only 500 machines sold in the initial market, Drinkworks is leading other established spirits brands in dollar sales in stores where pods are sold.



# Want to learn more about research supporting successful product launch? Reach out to us at:

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