**Project Goal**

Expanding the e-commerce presence of Estrella Galicia beer

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**Context**

- HDR wants to **expand its online and e-commerce presence** in Spain, US, UK, and Brazil
- E-commerce expansion is a **priority** for these reasons:
  - Increasing sales revenue
  - Developing D2C relationship with the customer to learn about user preferences and optimize the customer journey
  - Competing effectively with bigger competitors in the online space

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**Key Questions**

- Should HDR develop own **e-commerce** channel or work with established online pure players and grocery store chains?
  - E-commerce org structure
  - Amazon strategy
  - On-demand delivery strategy
- What **distribution channels and assortments** (per channel) to use?
- What are the **global digital and technological trends** in the beer e-commerce industry?

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**Methodology**

- **Secondary research:**
  - Mintel reports, Nielsen
  - Equity research from Thomson One (JPM, MS, Evercore, BNP Paribas, Jefferies, UBS)
  - Academic journals, Proffitero, Euromonitor, Company websites
  - Forrester, F&S, Gartner
- **Primary research:**
  - 10+ interviews with experts from top CPG brands, e-commerce companies, data analytics firms

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**Recommendations**

**Spain**

- **Feed Your Fanbase**
  - Experiment with own e-commerce website to **sell beer, merchandise, and experiences online**
  - Sell **premium products** online on e-Tailers like Carrefour, El Corte Ingles, Gadis
  - Sell **non-premium and/or "test products** online on Amazon
  - Work with **last-mile delivery** food and beverage companies to reach new customers and impulsive buyers

- **Imitate Before You Innovate**
  - Develop relationships with major retailers that have strong online capabilities (e.g. Target, Walmart, Kroger)
  - Focus on **specialty retailers for niche products** and to reach knowledgeable, high-engagement customers
  - Work through retailers to reach delivery services like Drizly and Instacart
  - Ensure products show up in **key filters** (e.g. 0% alcohol, gluten-free, natural, etc.)
  - **Best markets are New York City, Bay Area, S California, Texas, Virginia**

**US**

- **Catch Up to Competitors**
  - Establish a presence in online grocery stores like Ocado, Tesco, Sainsbury
  - Create a strong **brand differentiator** to offset competition
  - Highlight **premium, international quality** and offer **unique seasonal varieties**
  - **Focus on LONO beers**
  - Package specialty, craft beers in **cans**

**UK**

- **Spotlight on the South**
  - Partner with major e-tailers (e.g. Pão de Açucar) in the South and Southeast regions
  - Focus on branding story and emphasize high-quality, premium position
  - Prioritize mobile site experience, experiment with image-heavy design for "digital shelf positioning"
  - Send push-notifications from on-demand apps on soccer and F1 game days
  - Build greater awareness via social media and apps

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