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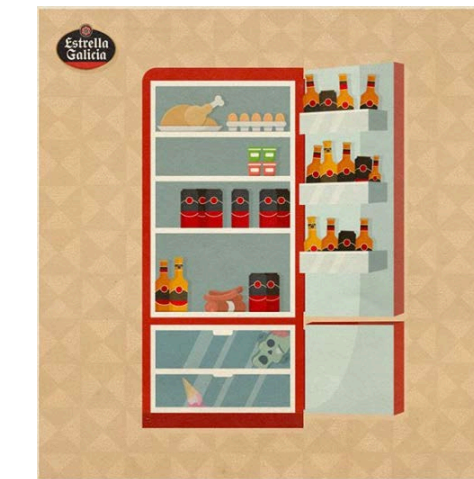


Estrella Galicia is a brand of pale lager beer, manufactured by the company Hijos de Rivera, a 100% family owned firm. Annual production is ~300 million liters



Project Goal

Expanding the e-commerce presence of Estrella Galicia beer



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

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?

Methodology

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

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

Integrate **online and offline strategies**

US

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

UK

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**

Brazil

Spotlight on the South

Partner with major e-tailers (e.g. Pão de Açúcar) 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

