

launch tips for food and drinks brands in 2022 and beyond

as friends and family start to re-unite over food and drink, Kate Lester – founder and CEO of **diamondlogistics** – reflects on the pandemic, and offers some solid advice on how to launch a food and drink business.



Small or emerging food and beverage retailers have had a helluva ride. Many had a retail only presence, which was good when they had signed a deal with the likes of Selfridges, but no good if food halls were shut!

They have had to develop a multi-modal delivery model and build an independent fan base to drive sales.

“ It’s no longer about securing the big deals just with the retailers – to survive they need to drive a passionate following of their brand. Now, food brands need to sell local, sell your own marketplace, sell on multiple platforms including social and sell in retail. ”

This can look like a really challenging proposition for start-ups – particularly when you look at the complexities of fulfilling all of this demand and creating a marketing strategy for each access to market point.

“ A good fulfilment and delivery partner should be able to guide you through the operational bit with ease, and have systems to fully integrate with multiple marketplaces simultaneously. This will enable them to focus on the marketing. ”

Standing out from the crowd, however, has had its challenges as there has been literally thousands of launches as many people sought to deal with the adversity of this year by creating something new, and there has been a veritable flooding of the marketplace with ‘artisan brands’.



The key ones we have seen launch or scale very well in the pandemic have been 'comfort' or 'healthcare' foods stuffs – booze, honey, chocolates – with higher price points. A fulfilment model only really works cost effectively for higher unit value stuff – the average order of £20+ – with post and packaging no more than 25% of initial retail cost – and free delivery incorporated for multi-packs – or until sales are over the £50 price point.

It's important for brands not to be a one trick pony. A minimum of four SKUs that can be independently marketed as a start-up has been key.

“ No longer would one rum product be enough to keep your hard-won clients satisfied – you need to be able to get them to buy again, and cross sell other products to scale the business effectively. ”

This means additional resources have to go into Research and Development, and product development to sate the curiosity of the customer base and drive sustainable growth via repeat business.

Sacred Gin – a **diamondlogistics** partner – is one of my favourite examples of a drinks brand nailing it. This independent brand, launched by Ian Hart back in 2008, is a small Highgate distillery which has taken vacuum distillation to the world. Ian traded in a Wall Street career for a Natural Sciences degree from Cambridge, which has helped him create a unique set of drinks, having fully embraced R&D. One trick pony it is not.

In terms of Brexit, it has been nightmarish, and I would encourage people to crack their home markets first before launching a trans-European strategy. This will allow time for the minutiae of the Brexit deal to sort itself out – we have found many delays in customs and subsequent delivery – however this is decreasing as time passes and I am sure will be mostly sorted by the end of the year. We always say there is opportunity in adversity.

To improve your odds, **diamond's** key recommendation are:

- Build a brand – locally, regionally, nationally then globally
- Multi-modal marketing
- Seamless multi-marketplace fulfilment with combined inventor
- A variety of similar products to continue to sate customer demand
- Build yourself time to do all the above by outsourcing non brand functions (i.e. fulfilment) so you can focus on product and marketing

As the world reopens, as the UK's general public starts to enjoy a social life with friends and family again, I expect food and drink to be at the heart of celebrations, and that we'll continue to see people purchase with purpose and support small and emerging brands.

