

C O R R A

The Food & Beverage Industry Digital Revolution

A hand is shown holding a tall glass filled with a golden-brown beverage, ice cubes, and a slice of fruit. The glass sits on a white surface. To the left of the glass are two walnuts and a stack of two ice cubes. To the right is a whole apple. The background is a dark, textured wall with a diagonal light-colored band.

2021 FOOD & BEVERAGE WHITEPAPER

How brands are ripe for innovation

INTRODUCTION

Strategies That are Revolutionizing the Food & Beverage Industry

The food and beverage industry has experienced a growth spurt so astounding that the numbers don't even look real. Beverages, namely alcohol and coffee, topped the F&B growth charts in 2020.

Online wine sales soared, with 291% annual growth and \$423 million spent in March. Alcohol is now the fastest-growing ecommerce category among consumer packaged goods (CPG). US click-and-collect orders (both curbside and in-store pick-up) surged 208% between April 1st and April 20th in 2020 according to Adobe. And Walmart ecommerce sales shot up 97% during the second quarter of 2020.

The industry is experiencing a digital revolution, one that puts customers' needs first in terms of convenience, efficiency, flexibility, and accessibility. This report aims to arm merchants with insights, strategies, and emerging trends to ensure that they come out of this transition on top.

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THE SHIFT TO DIRECT-TO-CONSUMER (D2C)

In recent months, the food and beverage industry has been seen taking pages – or rather, entire chapters, from the Direct-to-Consumer playbook.

For many brands without commerce-enabled sites, a D2C online presence was already on their roadmap; the pandemic just accelerated their timeline. Post COVID-19, we believe this shift to a digital direct-to-consumer model is here to stay. It gives consumers the convenience and practicality of home deliveries, as well as direct access to products through a branded experience.

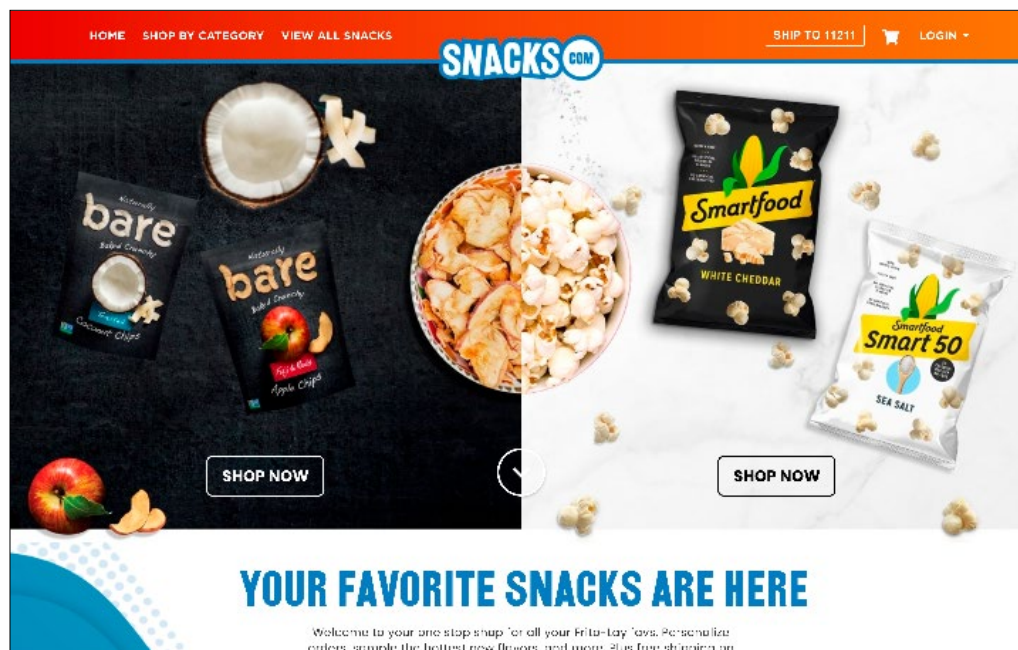


Image Source: www.snacks.com/

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D2C puts us closer to the consumer and allows us to test and learn quickly.

GIBU THOMAS Senior VP & Head of Ecommerce, PepsiCo

Brands like Oreo and Coca-Cola have found success with their D2C ecommerce sites.

These brands incentivize shoppers by offering merchandise and other products not typically found on grocery store shelves.

The offerings often involve packaging existing products into gift packs for birthdays or specific holidays.

Brands have also allowed customers to create custom packaging or labels for their products, like putting your name on a bottle of Coke.

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Product personalization encourages brand engagement and higher Average Order Value

CAT MCLEAN

Executive Creative Director, Corra

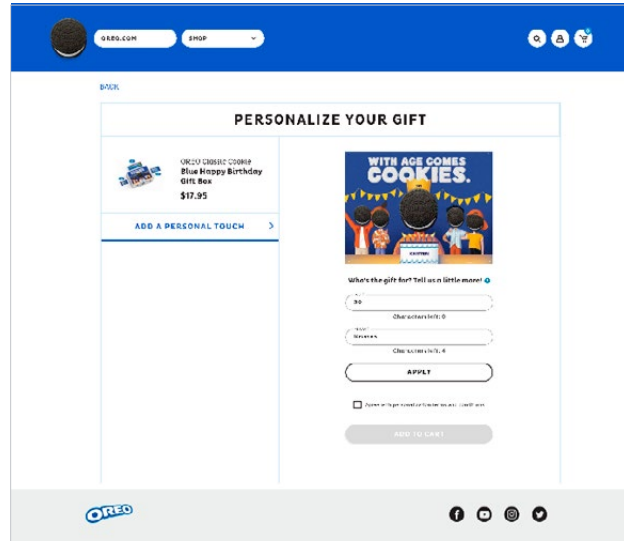


Image Source: https://shop.oreo.com/personalization-this-gift?pid=mz181005hb1_b_master

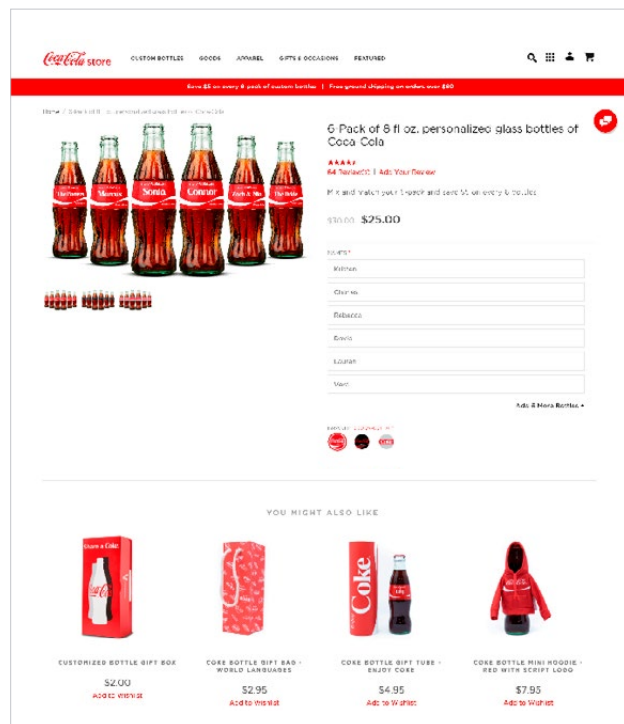


Image Source: <https://www.cokestore.com/personalized-bottle-six-pack/>

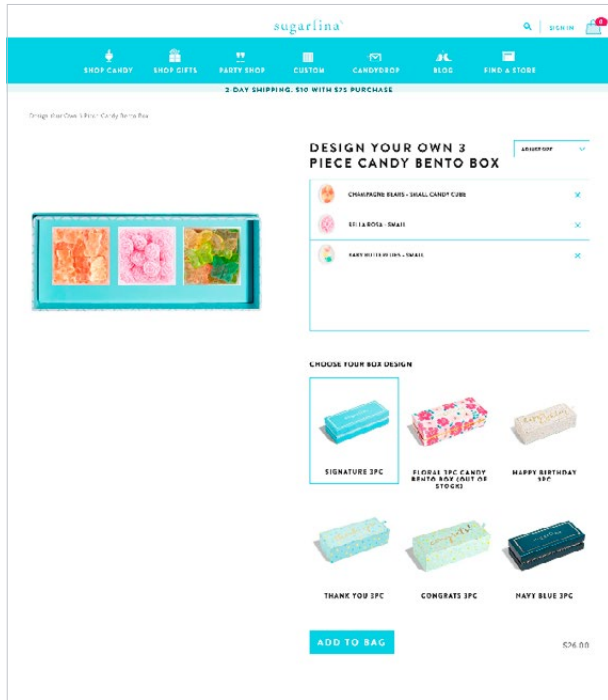


Image Source: <https://www.sugarfina.com/design-your-own-3-piece-candy-bento-box>

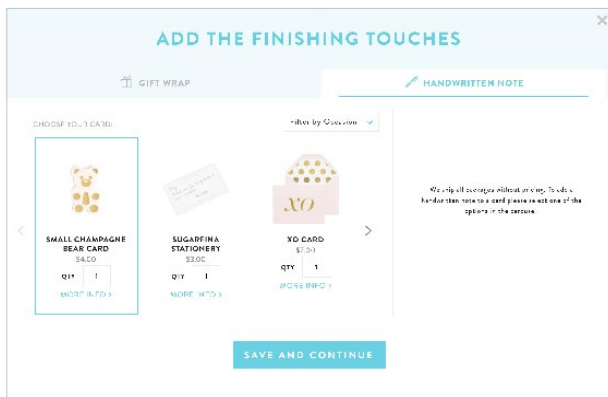


Image Source: <https://www.sugarfina.com/>

Sugarfina is another example of brands leveraging holiday packaging to create a unique site experience for their customers.

The Design Your Own Candy Bento Box® experience is an innovative feature that allows customers to fill a virtual Sugarfina box with whatever candy their heart desires. In addition to designing their own Bento Box, Sugarfina customers are able to choose from a variation of gift wrapping and customizable gift notes. Giving the users an experience that is fully personalized from the candy inside the Bento Box to packaging.

These strategies, along with the D2C channel experience itself, help build customer loyalty and allow brands to capture valuable data while strengthening their brand identity.

VIEW CASE STUDY

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Due to COVID-19, a lot of consumers showed a preference for online grocery ordering and home deliveries. We listened — and frankly, we know that a lot of us will keep up our weekly repeat deliveries and standing online orders because it's convenient and practical.

RACHEL KONRAD Chief Communications Officer, Impossible Foods

DELIVERING FLEXIBILITY & CONVENIENCE

As with nearly every other industry, consumer buying habits are changing rapidly.

When it comes to food and beverage products, retailers and third-party apps (Instacart, Postmates, HelloFresh, etc.) have largely been leading the way in innovation, developing better home delivery services and click-and-collect offerings (where shoppers submit a grocery list online and pick up their items in-store). Brands are now playing catch up and offering their own delivery services. In June of 2020, a study revealed that 35% of US consumers use online grocery delivery services — **that's almost 3X more than in August 2019.**

The bottom line? Any advancement that makes life easier for your customers, saves them time, and automates their mundane tasks, like grocery shopping, is worth the investment.

Brands like Target have seen dramatic growth numbers through their partnership with Shipt: same-day delivery services grew by 279% and drive-up (BOPIS) experienced revenue growth of 734%. We can applaud Target and many other corporations for addressing consumer demand during the pandemic with delivery services. The logistics behind shipping perishables nationwide is a complex endeavor that few have mastered. Even with Shipt, Target only delivers locally from nearby stores.

One example of a digitally native dessert company that ships perishable items nationwide is our client Baked by Melissa. They have the shipping logistics down (with the help of Corra). Let's take a look at the case study.

CASE STUDY

Delivering Anywhere, at the Right Time

Baked by Melissa is a New York City-based bakery and ecommerce brand known for its signature bite-size cupcakes. Like many food and beverage businesses, they have unique challenges to solve: the perishable nature of the products require custom shipping rules, the ability to handpick exactly which flavors you would like in your pack and order them up to 365 days in advance, and the need for advanced omnichannel capabilities.

Corra created a completely custom shipping logic in order to provide Baked by Melissa customers with the following shipping options when placing an order:

- In-store pickup at any of their 14 locations
- Manhattan Delivery through courier service
- Nationwide Delivery services to the entire U.S.

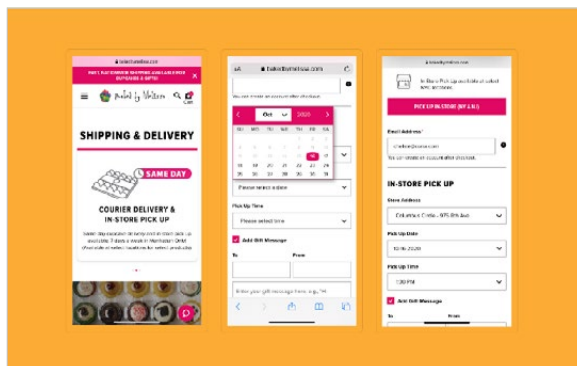


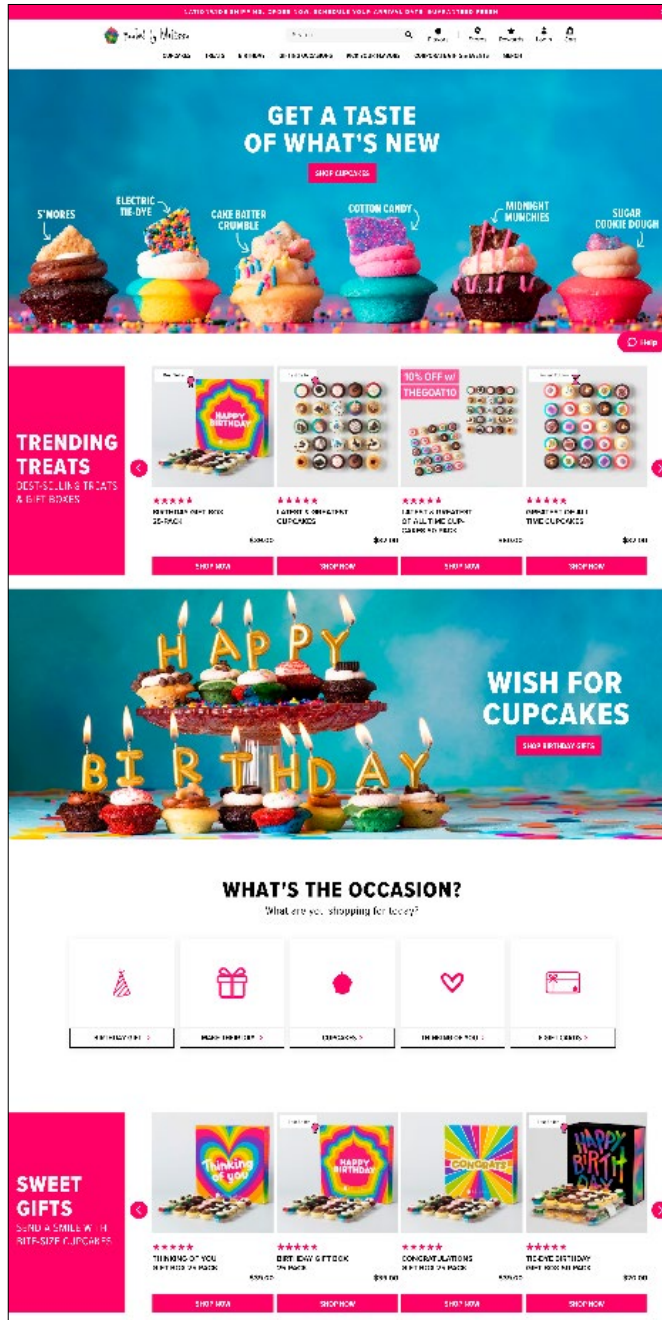
Image Source: www.bakedbymelissa.com/

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We shipped perishable goods so we needed specific shipping logic that ensured our products only stayed in transit for 1-2 days. We also allow the customer to select their arrival date (because our products are often used as gifts for special occasions) and order up to 365 days in advance.

THE BAKED BY MELISSA TEAM

For in-store pickup, Corra enabled a series of variables that can be configured directly within the admin panel.



This includes pickup hours, how much time is required to process the order and prepare it for pickup, product-specific shipping attributes, exceptions, etc. These customizations accomplish two main goals: they give Baked by Melissa's team the flexibility to update their own rules and ensure a smooth customer experience even during hectic seasons.

[VIEW CASE STUDY](#)

Image Source: www.bakedbymelissa.com/

ENCOURAGING IMPULSE BUYING ONLINE

Consumers often joke about going to Target or a grocery store for one thing and leaving with 12. As a merchant, we call this point of purchase sales or “impulse buying” and it can be encouraged in your ecommerce experience as well.



Image Source: https://twitter.com/haley_copeland

Let’s use our client Baked by Melissa, as an example. Corra wanted to seamlessly embed opportunities to upsell products throughout the customer journey, while still maintaining a natural flow. For example, when you visit a Baked by Melissa physical store to purchase cupcakes for a friend’s birthday, oftentimes, it only occurs to

you that you need a fancy box with a tie-dye bow when you see one by the register. Corra wanted to emulate this experience by dropping in relevant recommendations like birthday cards, balloon banners, candles, and more on select pages throughout the site.

ENHANCING SEARCH ENGINE OPTIMIZATION (SEO)

As ecommerce gains a stronger foothold in the food and beverage space, another important area for merchants to focus on is SEO.

When it comes to products at low price points like groceries – consumers usually don’t do a lot of research before deciding who to buy from. They tend to trust the first results they see on Google, meaning SEO and discoverability is crucial for food and beverage companies online.

Make sure your site is designed and optimized for mobile. In March of 2018, Google began rolling out mobile-first indexing for all websites. That means that they now crawl and index the mobile version of your site instead of desktop. Site speed is also an important factor for mobile, since Google research shows that consumers on mobile are far less likely to wait for a page to load. And now, beginning in May 2021, your site's speed and performance will help determine your search ranking.

WHAT'S NEXT: PROGRSSIVE WEB APPS (PWA)

There is a solution that addresses the needs of food and beverage brands: the need for speed, discoverability, an SEO-friendly experience, and an app-like UX designed for mobile. That solution is a PWA (Progressive Web App).

What are PWAs? In short, PWAs combine the discoverability of the web with the capabilities of an app – without the investment and barrier to entry an app requires. They are searchable via Google so consumers don't need to interrupt their shopping experience with a detour to the app store. And because PWAs pre-cache parts of the site, the result is a lightning-fast experience translating to engaged visitors, increased conversions, and better SEO rankings.

APP-LIKE EXPERIENCES

In addition to offering incredible speed, you can reach your customers through push notifications and deliver advanced capabilities such as camera access and barcode readers. Push notifications allow for endless marketing opportunities. If a customer is nearby your store, you can send them a notification with an offer to encourage them to shop or dine with you. Or notify someone when an item they've previously viewed goes on sale. And if you're a supplier of produce, for example, sales reps out in the field can scan barcodes to streamline the reordering process, even in places with limited internet access. Food and Beverage merchants can easily save your PWA to their home screen for easy access and you're able to remind them through the app to place their orders.

Corra implemented a PWA for Happy Chef, a B2B supplier of restaurant uniforms with customers like Chilis and university cafeterias.

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We had an internal conversation on whether we should go with an established technology or one that is more cutting-edge like PWA. Ultimately it came down to our willingness to jump ahead of our competition. We all agreed that there's no reason not to.

JIM WALSH Chief Information Officer, Happy Chef

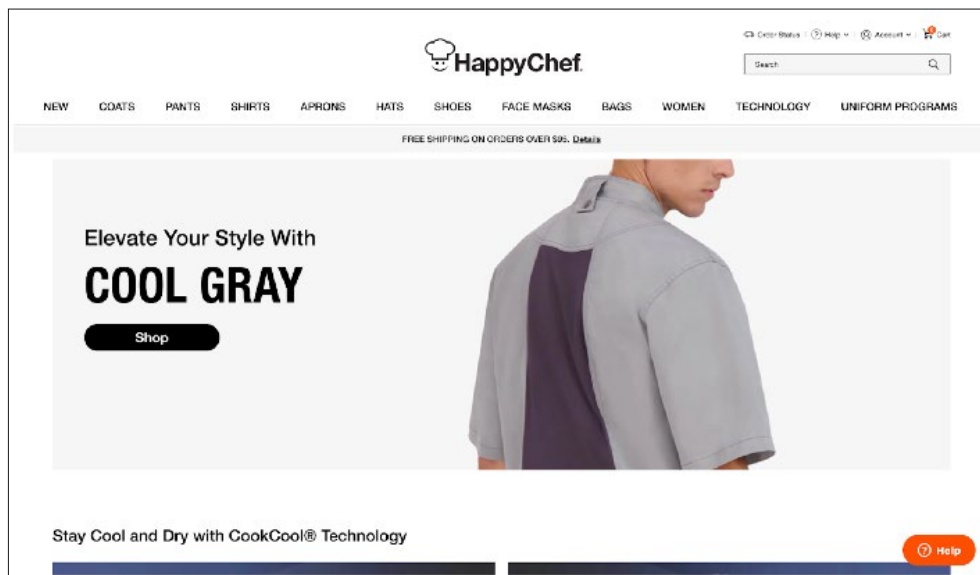


Image Source: <https://happychef.com/>

With Progressive Web Apps, loyal customers can save your site to their home screen for easy repeat purchasing. And a merchant can alert users of coupons and sales, and use geo-targeting to notify users when they're near one of their stores.

[LEARN MORE ABOUT PWAS IN THIS 3 MINUTE VIDEO](#)

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Ready to evolve your customer experience?
Speak with one of Corra's ecommerce
specialists.

corra.com/contact

ABOUT CORRA

We are strategic thinkers, accomplished engineers, and award-winning experience designers. We believe outstanding commerce experiences can't exist without flawless technology, and that flawless technology is pointless without beautiful, human-centered design.

Our clients are an integral part of our team. Together, we remove the obstacles that are limiting their growth, uncover the opportunities that they didn't know existed, and we don't rest until they achieve their full potential. We know that organizations across different industries rely on our 20 years of experience in commerce technology, but we also know that customer expectations are constantly evolving. For this reason, we built future-proof solutions and refined a delivery process that helps them achieve more with less. From Progressive Web App and headless commerce accelerators to pre-built CX assets, we create the foundation that allows you to realize your vision faster.