

# Ready-To-Drink Hard Seltzer Analysis

Powered by Yogi



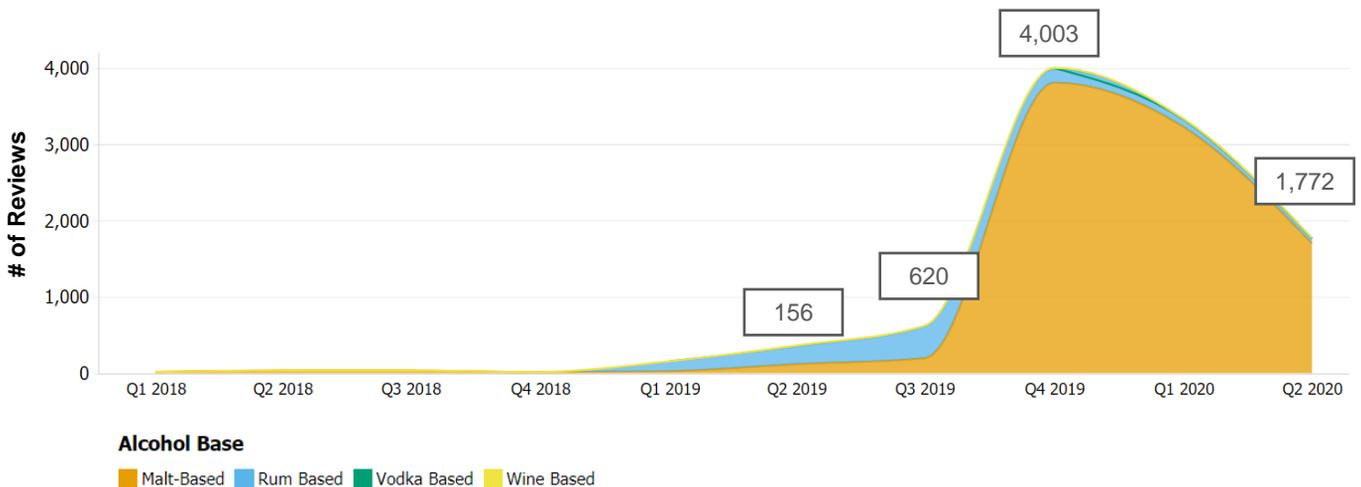
## METHODOLOGY

Yogi analyzed 11,365 reviews for 18 hard seltzer products produced by 15 recognizable brands in the space.



## REVIEW VOLUME

When looking at review volume over time, we see the hard seltzer space saw meteoritic growth in Q3 2019. Among all alcohol bases, malt-based products mainly drove the growth.



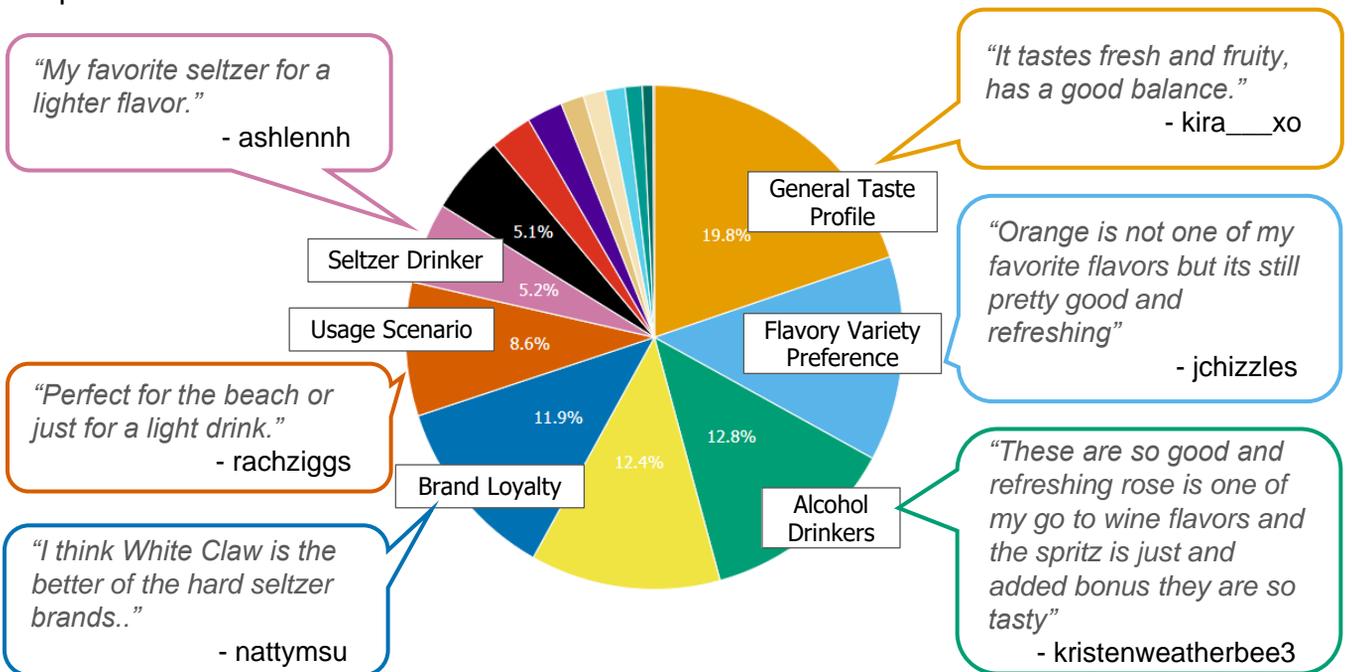
# COMPETITIVE LANDSCAPE

When looking at average star ratings and sentiment scores, we found that most brands perform well on average with ratings over 4 stars and positive sentiment. **PRESS is clearly ahead of the pack**, while **Bud Light and Cape Line are lagging** within the hard seltzer space.



# CUSTOMER CONVERSATION

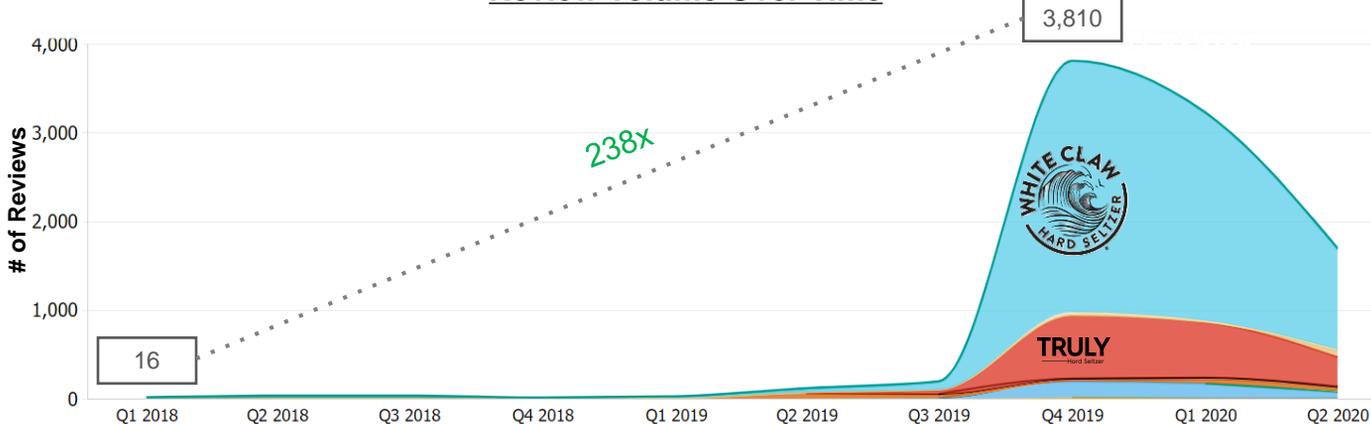
Using its advanced Natural Language Processing algorithms, Yogi automatically detected 15 unique themes within these reviews.



\*Yogi's proprietary sentiment analysis algorithms scores overall tone of each review from a range of -1.0 to 1.0 (≥0.3 = positive, 0 = neutral, ≤-0.3 = negative)

# DEEP DIVE: MALT-BASED HARD SELTZER COMPETITIVE ANALYSIS

## Review Volume Over Time

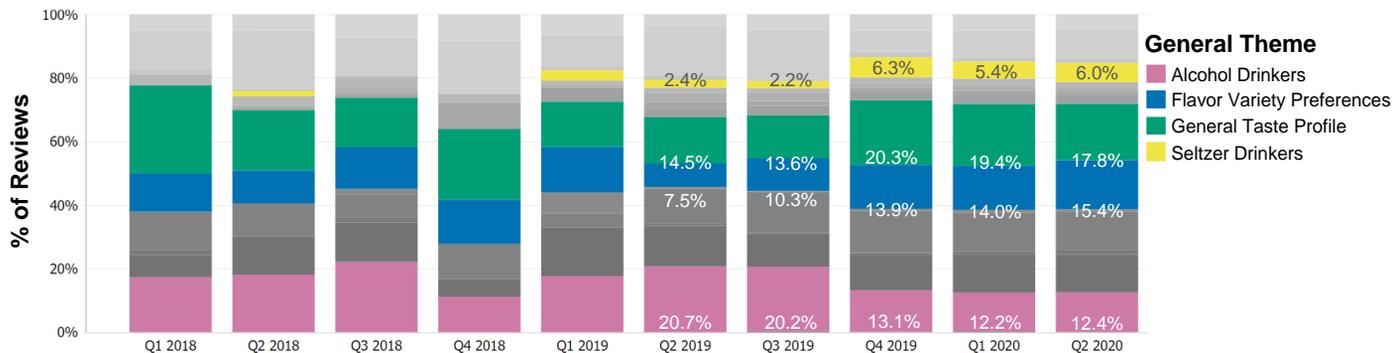


The U.S. market for malt-based hard seltzer **experienced explosive growth in Q4 2019**. The review volume surged from 16 in Q1 2018 and 196 in Q3 2019, to 3,810 in Q4 2019.

However, the market **shows a high concentration at the top**. The top 3 brands, White Claw (74.2%), Truly (18.8%), and Bon & Viv (4.7%) altogether, **took up 97.7% of the total review volume** in Q4 2019. White Claw black cherry is the most reviewed product among all products researched in this case.

## TASTE & FLAVOR ARE ON CONSUMER'S TOP-OF-MIND

### Percentage Breakdown by Theme



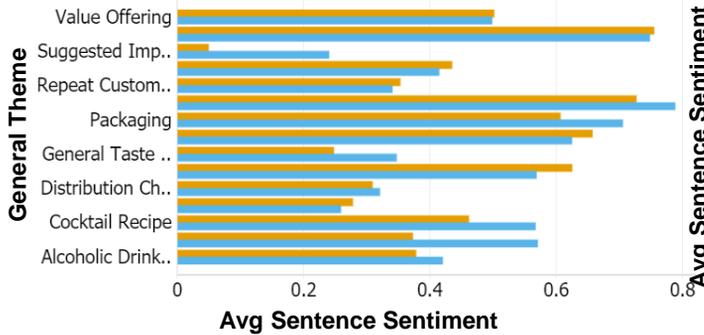
**Rising interest from Seltzer Drinkers** seems to have contributed significantly to the growth in review volume in Q4 2019, especially when compared to the shrinking **Alcohol Drinkers** group. The percentage of *Seltzer Drinkers'* reviews was 2.4% before Q3 2019. But this number jumped to 6.3% in Q4 2019 and hovered around this number in the next 2 quarters. In contrast, the percentage of *Alcohol Drinkers* dropped 13.1% during the same period.

**Two flavor-related themes, General Taste Profile and Flavor Variety Preferences, are also primary drivers.** These two themes combined grew from 23% in Q3 2019 to 33% in Q2 2020. More importantly, the *Flavor Variety Preferences* theme climbed from 7.5% in Q2 2019 to 15.4% in Q2 2020, suggesting that the variety of flavors offered and introduced by brands continues to be an important differentiation point from the customer's point of view.

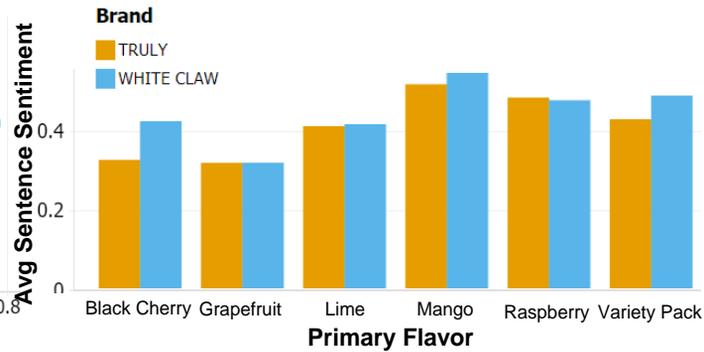


# VS. TRULY, WHICH BRAND IS BETTER?

## Average Sentiment by Theme



## Average Sentiment by Flavor



We researched 6 overlapping flavors between Truly and White Claw. Though White Claw dominates the market, **Truly is almost on par with White Claw in terms of average sentiment**. Digging deeper, Truly has a lower average sentiment on taste and flavor related conversation themes (including both *General Taste Profile* and *Flavor Variety Preferences*) across all 6 flavors. Common flavor complaints among Truly customers focus on “**artificial flavor**” and “**weird aftertaste**”.

## THE LINE THAT WENT VIRAL: “AIN’T NO LAWS WHEN DRINKING CLAWS”

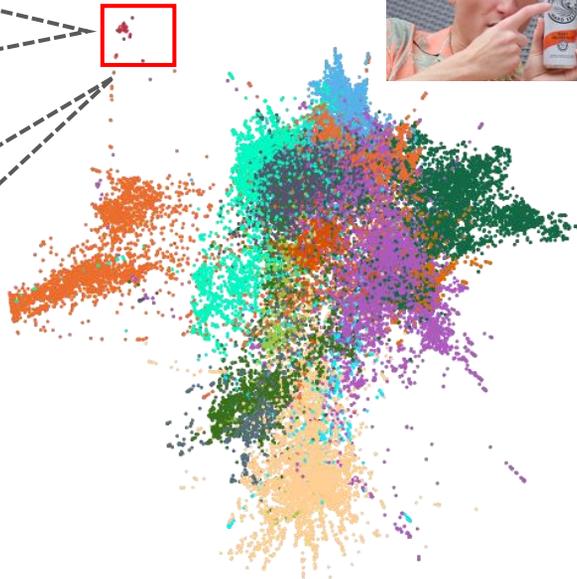
### Phrase Mentions

TRULY Customer:

“This is alright but you already know that there aint no laws when drinking claws and that thats what you should be buying.”  
- rebeccaenjoys

WHITE CLAW Customer:

“There’s no laws when you’re drinking claws and that basically sums up this variety pack.”  
- katc29

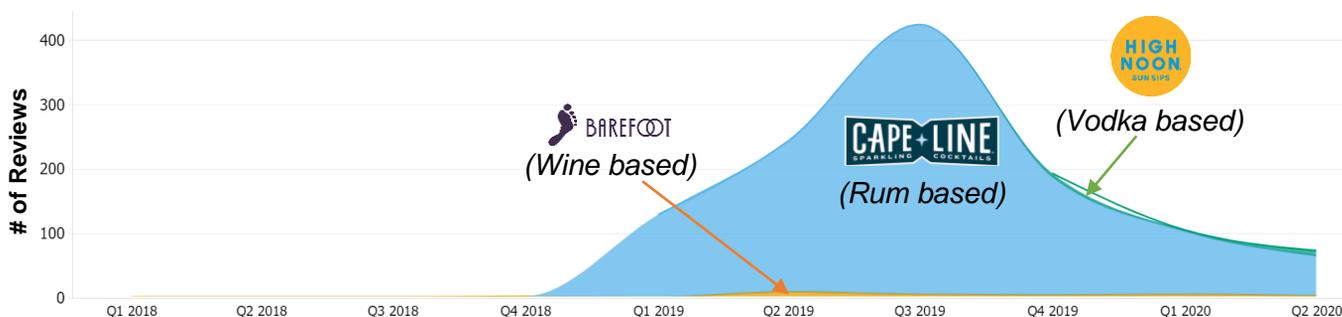


The isolated island in the red square is a cluster of 34 reviews mentioning the phrase “ain’t no laws when drinking claws”. Surprisingly, customers not only mention the catchy unofficial slogan when reviewing White Claw product but also mention it in Truly reviews.

# DEEP DIVE: NON-MALT-BASED SPIKED SELTZER COMPETITIVE ANALYSIS

## NEW ALCOHOL BASE

### Non Malt-based Hard Seltzer Review Volume Over Time



Among all three non-malt-based hard seltzer brands, **Cape Line has the most reviews but also the lowest sentiment.** Although Cape Line's online presence started to grow in Q1 2019, its review volume experienced a sharp decrease in Q4 2019, the exact same time when White Claw and Truly's review volume surged. Cape Line's decline may be associated with the rise of White Claw and Truly as their products are substitutes for many consumers looking for convenient, canned, non-beer alcohol options.

## CAPE LINE STRUGGLED TO DELIGHT CUSTOMERS' EXPECTATIONS ON FLAVOR

### Negative Sentiment Reviews

Yogi Network Graph filtered to display only datapoints with **Negative Sentiment** of Cape Line products



Before drinking Cape Line's actual product, consumers have a strong expectation that it will taste like the specific cocktail mentioned on the label. Therefore, many of Cape Line's reviews are **comparisons between standard cocktails and the actual flavor of the product.** Consumers tend to give negative feedback about the product when the real taste doesn't match their expectations, an obstacle that is not faced by the malt-based hard seltzers.