OHANAFY

Identifying the Best Software Solution for the Craft Beverage Evolution

A Perspective on What to Look for in Your Provider

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Introduction

As industries transform and progress to meet economic demands, supporting technology providers need to evolve to meet the unique requirements and challenges. Craft beverage is no exception to this rule. The traditional methods of managing and tracking inventory, sales, and customer data can no longer keep up with the pace and complexity of this dynamic market. In fact, Paul Gatza and Bart Watson from craft beer's main industry outlet, The Brewers Association, suggest that hospitality businesses have a limited lifespan, and with the constant influx of new breweries and beer-selling establishments, brewpubs and taprooms must strive to remain relevant.

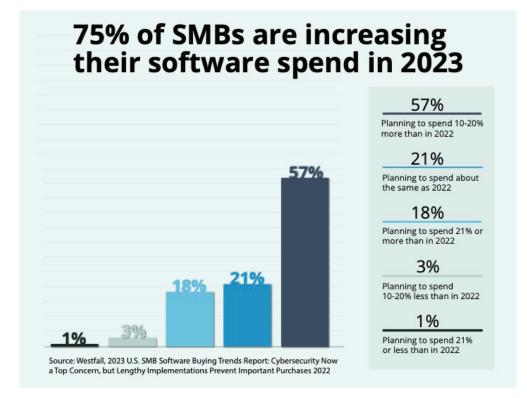
To maintain competitiveness, craft beverage businesses must constantly innovate, and software can play a vital role in this process. By incorporating software, businesses can gain valuable insights, monitor overall business performance, streamline manual processes, and enhance efficiency. Investing in a solution to support the many different facets of a business is no longer a 'nice to have' and, over the years has become a necessity.

Craft beverage business owners like Chazz Oesch at Mythic Brewing have seen firsthand how software has become a necessity that is well worth the expense. When asked how he managed his business before his current software provider, Chazz said, "our organization was notepads and spreadsheets and controlled chaos with an emphasis on chaos. So it's just a no-brainer that we needed more organization, especially as our revenue increased and our taprooms increased in sales, and it got out of hand."

"Software spend, however, isn't trending downward. In fact, it's the opposite. When asked how much their organization plans to spend on technology and software in 2023 compared to 2022, a majority of U.S. SMBs (57%) estimate they'll spend anywhere from 10 to 20% more. And 18% plan to spend even more than that, while only four percent estimate they'll decrease their software budget in 2023."₂

As software becomes increasingly adopted across the craft beverage industry, software companies have the opportunity to discover innovative methods to enhance customer satisfaction. To achieve this, software should be:

- User-friendly and easy to adapt with lifetime support.
- Focused on meeting the needs and preferences of people, keeping them at the center of its design and functionality.
- Capable of efficiently extracting and organizing data, as well as constructing meaningful insights from it.



Ease of Use & Implementation

In today's digital world, where instant gratification and information on-the-go have become the norm, developers must create easy-to-use and easy-to-implement products. This can be done through:

- Integrations
- Mobile Accessibility
- Easy-to-use interfaces

Software companies should build their applications around these three pillars to help customers achieve fast user adoption. However, some craft beverage businesses can get hung up on the costs or the efforts needed to kickstart their software journey. In fact, analyst Brian Westfall at Capterra found that "the top reason SMBs don't invest in software is concerns about downtime or a steep learning curve during implementation (45%)."₃

Craft beverage businesses that are hesitant to adopt software, should consider an easy-to-use



and easy-to-implement solution. It is important to note that software alone cannot solve every unique instance in the craft beverage industry, so integration with current systems is essential. For example, software that integrates with a POS company will be more attractive to a brewery looking to track seasonal trends and sales over time. Not only can said brewery save money, but they can also save time from manually translating data from the POS to the software application. Ideally, integrations will help users work smarter, not harder.





Today, accessing information from anywhere is high on everyone's priority list. Mobile accessibility has emerged as the benchmark for website and software design. It empowers users to retrieve information and accomplish tasks from just about anywhere. With a large community, the craft beverage industry will benefit from mobile-accessible delivery routes, invoicing, and account management. By ensuring mobile accessibility, businesses in this industry can effectively manage customer accounts, remain connected in real-time, follow delivery routes, generate invoices, and prevent potential loss of business.

As businesses across the craft beverage industry are searching for new software, they should be on the look out for how intuitive the interface feels. Questions to consider are:

- Is there a clear navigation?
- Are there intuitive workflows?
- Can I easily access the information I need?

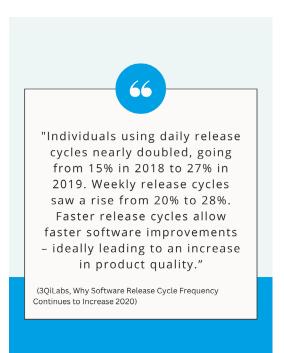
If no was the answer to any of these questions, keep looking for another software solution. However, if the answer was yes for all three, that is indicative of a positive user experience like what Will Uhlir at Mythic Brewing experiences with their software provider; "all of their apps speak to one another. Inventory speaks to sales, sales speaks to production, and production speaks to inventory. It is very user-friendly and has helped me become 10x more organized than I ever was before."

People-centric Software

In an industry that drives connection, people-centric software should be another key consideration when selecting a new solution. Successful software companies like Salesforce

are successful because they offer solutions made for their consumers. Chief Economist Bart Watson of the Brewers Association shares a similar notion, stating that "innovation has to start with the consumer". ₄ This consumer-driven innovation is supported by hands-on implementation, continued support, and routine software updates.

As stated previously, numerous consumers avoid software solely due to downtime and steep learning curves. It is up to the software company to alleviate these concerns by providing hands-on implementation and continued support, starting with a direct line of communication from the consumer to the production team. This interaction allows software engineers to gain insights directly from users, allowing them to align the implementation with each business's goals and identify areas for new product development. Research shows that



"individuals using daily release cycles nearly doubled, going from 15% in 2018 to 27% in 2019. Weekly release cycles saw a rise from 20% to 28%. Faster release cycles allow faster software improvements – ideally leading to an increase in product quality."₅ It is important that there is a trusted relationship between the vendor and the business, allowing transparent feedback that makes an impact on future development.





In more recent years, there has also been a shift in the craft beverage space and the access to large Software as a Service (SaSS) corporations has become attainable. For example, champion platform user, Bryan Williams, Founder of Gizmo Brew Works, was eager to share his perspective: "They're able to develop so quickly and iterate on our feedback so guickly that I didn't sign up for the product today. But the vision, because that vision impresses me and how fast they're able to develop, impresses me. Development was so slow where I came from, I was lucky to get one feature a year that improved my business, and it just had grown stale, and it wasn't innovating anymore."

WHEN ASKED ABOUT HIS SOFTWARE COMPANY, BRYAN @ GIZMO SAID...

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(Bryan Williams, President & Founder of Gizmo Brew Works)



The Power of Data

As the craft beverage industry continues to grow and competition intensifies, businesses across the industry need to understand their overall business health to determine how to stay relevant. Craft beverage industry consultants Brian Krueger and Dave Williams believe that tracking and assessing business health relative to industry peers and defining strengths and areas of opportunity are important in craft today.₆ To accomplish this, businesses may want to use software to help.

Software should be capable of efficiently extracting and organizing data, enabling the construction of meaningful insights from it. For example, by using software, craft beverage businesses can track the sales seasonality of their products, check in on last customer touch points, track inventory levels, see production costs, and so much more. This data can help businesses streamline operations, lower costs, keep up with customers, and push innovation.

Take this real-world example from Bryan Williams at Gizmo Brew Works: "Using software to track our cost per batch over time, we could see that rising ingredient costs had pushed one of our year-round beers outside our target margin. Based on that information, we decided to replace it with a new style as a year-round offering." Bryan is spot on, the numbers don't



lie. Data utilization allows craft beverage businesses to better track the performance of product lines and make better business decisions based on sales seasonality and so much more.

Remarks

In conclusion, as more and more businesses in the craft beverage industry adopt software, we will see an increase in the demand for software that evolves alongside it. By embracing software with user-friendly design, people-centric approaches, and efficient data management, craft beverage businesses can improve operations and achieve their growth goals. Through innovation and adoption, software becomes an indispensable tool, empowering the people behind the brew to thrive in an ever-changing market.



WHEN ASKED ABOUT THE IDEAL PARTNERSHIP WITH YOUR SOFTWARE PROVIDER, BRYAN @ GIZMO SAID...

"For the first time, we're able to mold the technology to fit our business instead of changing our process to fit the technology."

(Bryan Williams, President & Founder of Gizmo Brew Works)





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OHANAFY

Software Recommendation

If you are looking for software that is ready for the craft beverage revolution, look into Ohanafy.

Contact

To learn more about Ohanafy, scan the QR code below or reach out to Ohanafy's Sales Team at <u>sales@ohanafy.com.</u>

