

A close-up photograph of a Patrón Silver Tequila bottle and a glass of tequila with a rosemary sprig. The bottle is in the foreground, showing the label with the Patrón logo and the text 'PATRÓN SILVER TEQUILA 100% DE AGAVE'. The glass is to the left, containing a golden liquid and a fresh rosemary sprig. The background is a blurred bar setting with warm, bokeh lights.

Patrón Selling Tequila Via Instagram Ads

The Story

Patrón becomes the **FIRST** liquor brand to sell via Instagram Stories



By **swiping up** on new Patrón ads in Instagram Stories



The Instagram-enabled delivery service is available in **48 states**



Users place orders that are delivered via third-party platforms **Drizly, Instacart and Reserve Bar.**



Patrón will **measure the success** of the ads based on clicks, purchase intent and conversion rate



Shoppers will **input their age** in Instagram's in-app checkout feature and have their **ID scanned** by workers delivering the package in person



Poses new threats with age verification - To comply with local and national legislation, and reduce this threat, customers will be asked for their age upon ordering and get their ID scanned upon delivery.

“

For us, it's really about using modern tech to tell a handcrafted story. We're a tequila company and not a technology company. This is just the beginning, one little step into the future [of] how you'll engage with spirit brands.

- *Adrian Parker, Global VP of Marketing at Patrón*

What's Patrón??

“WE DIDN'T INVENT TEQUILA,

WE JUST PERFECTED IT”



Considered the **FIRST**
Ultra-Premium Tequila Brand



Has grown to become one of
the **most valuable** and
top-selling liquor brands in
the world today



The tequila brand recorded
volume sales of 2.5 million 9
liter cases **worldwide** in 2018



The tequila maker has in
recent years experimented
with **augmented reality**,
messaging bots and **Amazon**
Alexa-enabled voice skills

Ad Revenue of \$9 billion in 2018

That's a lot of money

Over 1 billion monthly active users

64% Age 18-29

And a lot of users

100%

Total success!



S



T



P



STP

Segmentation

Demographic



Younger Generations
(Millennials & Gen
Z)



Higher income

Behavioral



Those who
appreciate the full
experience of
drinking liquor



Loyal Customers

Targeting

Differentiated



Targeting to
multiple audiences
with various
strategies



Instagram Ads
specifically
targeting younger
markets & those of
a higher
socioeconomic
status

Positioning

Value



Patrón continues to
search out ways to
leverage emerging
mobile channels to
position itself as an
innovative brand.





2.
4 P's

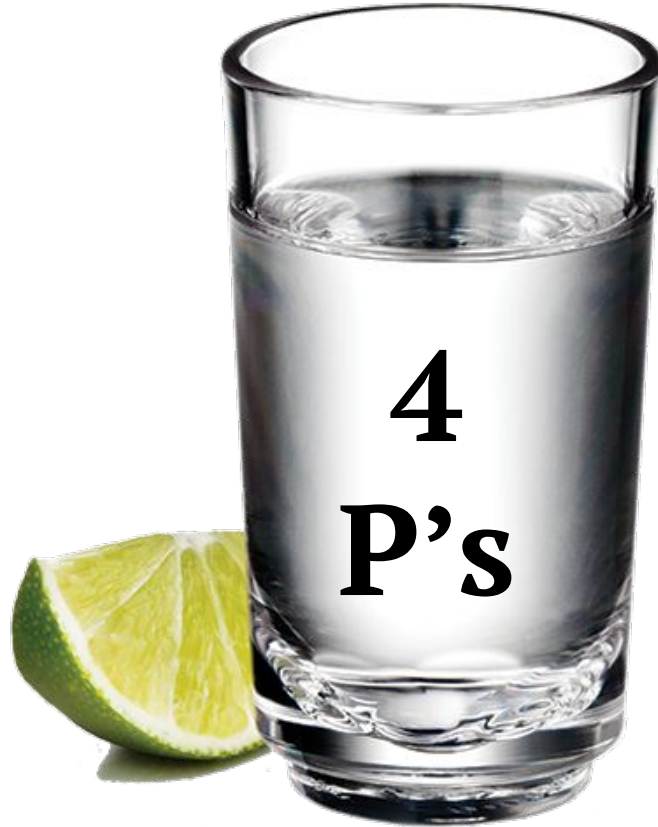


PRODUCT

- Patron
- **Creating value** by making it easier to buy the product

PLACE

- Instagram Ads
- **Value Delivery:** Customers are able to purchase Patrón via swiping up on Instagram Stories



PRICE

- 750ML bottle \$49.95 + \$4.95 delivery fee and tax (around \$5)
- **Value Capture:** Patrón is a popular, upscale Tequila brand catering to people willing to spend a little extra for delivery

PROMOTION

- Two Instagram Stories adverts that focus on education around Tequila and the experience of drinking Patrón.
- **Value Communication**



Check Out on Drizly



Check Out on Drizly



Check Out on Reserve Bar



Check Out on Reserve Bar



Check Out on Walmart



Check Out on Walmart

powered by *MiloMak*

powered by *MiloMak*



3.

SWO



Strengths, Weaknesses, Opportunities, Threats

STRENGTHS

- Appealing to tech-savvy market
- Average age of instagram users ranges from 18-24 → targeting the younger drinking population
- Easier to get due to delivery system → appealing to lazier demographic

WEAKNESSES

- Many instagram users are younger, and they cannot afford such an upscale brand
- Innovators - First to encounter the possible errors or backlash that might arise
- Third party delivery service takes multiple days to deliver alcohol or charges high price for faster delivery

SWOT



THREATS

- Underage users attempting to buy alcohol through fake profiles
- Backlash of making commonly abused drug so featured on instagram



OPPORTUNITIES

- Opportunity for greater exposure
- First-mover advantage





Thank You