

Beam Suntory's innovation game



Ed Stening, Beam Suntory Global Head of Marketing-Travel Retail, walks Asia Duty Free through the different phases of the firm's growth plan

Five years ago, Beam Suntory established its travel retail unit. Since then, the leader in premium spirits has re-launched its product(s) and profile in phases. The company unveiled its latest phase at the TFWA Exhibition & Conference 2019 in Cannes, which is helping to refine its innovation process and deeper connection with the retail partners. Considering its planning process, the team didn't introduce a lot of liquid innovation to consumers this year on purpose.

The following is a snapshot of Beam Suntory phase by phase:

- Phase One (2014): build retail partnerships, stock the shelves and navigate the travel retail landscape
- Phase Two (2018): introduce new talent to the business and grow within a maturing organization
- Phase Three (2019): implement a focused category management approach and a centralized marketing model within the travel retail channel to allow for consistency across the globe

Due to its size, the company needs to change its philosophy – and way of working – to drive business and increase category growth. The question the team often poses to consumers and retailers: what can we bring you and your shoppers? Beam Suntory strongly believes in the importance of working together to grow business for all of those involved. In connection to category management, the company’s motto: bigger, better, fewer (activations) aligns with its execution.

When asked if innovation is part of Beam Suntory’s DNA, Ed Stening, Global Head of Marketing – Travel Retail, Beam Suntory, says, “Innovation adds buzz to the market; it’s something that retailers grasp onto and see as a key differentiator of the channel. Building a solid pipeline of innovation is part of our strategy and a way of supporting our retailer’s growth by delivering what our shoppers are searching for.”



When East meets West: Beam Suntory launched Legent this year

In addition to introducing phase three, Beam Suntory launched Legent this year: the best of East meets West. A first-of-its-kind, Legent celebrates master craftsmanship, collaboration and innovation. Described as a perfectly balanced and layered whisky, the Kentucky Straight Bourbon Whisky is partially finished in wine and sherry casks.



Purveyors of Legent: (L)Shinji Fukuyo, fifth-ever Chief Blender of Suntory and Fred Noe, seventh-generation Master Distiller of Jim Beam

“The unique super-premium bourbon is expertly distilled by Fred Noe, seventh-generation Master Distiller of Jim Beam, bourbon’s pioneering family, and artfully blended by Shinji Fukuyo, fifth-ever Chief Blender of Suntory, the founding house of Japanese whisky,” notes its website.

Available in duty free, Legent is exclusive to Dufry across the world and exclusive to DFS across Asia. Effectively three bourbons blended together, the liquid (and brand) is designed to be interesting enough that consumers who are either into bourbon or whisky in general would find it appealing. “Since the acquisition of Beam to Suntory, the team has benefitted internally from East meets West culture. When it comes to perspective, process delivery, knowledge of consumers, ingredients, policies, we’ve learned so much. We wanted to showcase this spirit to our consumers,” explains Stening.

Partnering one year ago, Legent understood the Beam Suntory story right away and naturally leaned into how it’s trying to grow and shape its business. A few weeks ago at the product launch, Fred Noe and Shinji Fukuyo were on-site at Heathrow Airport to sign bottles and engage with consumers.

As consumers are beginning to recognize bourbon as the world’s whisky, the market continues to grow significantly considering its size (4% YOY). In addition to premium products, single malts are performing well across emerging markets. With creativity and competition in mind, the latter has been a fiercely contested taste over the last twelve months.

A takeaway: after witnessing the value of what global travel retail can do for brands around the globe, domestic teams are beginning to steadily invest in the channel as a brand’s window to the world.