

Penderyn's business plan moves forward to make a mark on 2021



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Throughout the last year, as a small business, Penderyn Distillery has proved to be both agile and resilient. Although at the start of the global pandemic, the company's export and duty free business "ground to a halt," the further emergence of e-retailers has contributed to the growth of its business with retailers, retail sales and consumer reach. Simon Roffe, Director of Business Development at Penderyn Distillery, shares that with people spending more time at home, the company has noted a significant trend within its category of consumers discovering new, premium brands, which he defines as fertile territory for Penderyn.

With the current lack of face-to-face interacting and tasting, the distillery has relied on its virtual masterclasses as a primary form of engagement. Separating Penderyn Distillery from its competitors and other online specialist stores, the company's virtual masterclasses and tastings are dedicated to its own brands and conducted by its in-house brand ambassador team. Considering the overwhelming positive public response and selling out of events, the company has applied this concept as a trade training tool with clients. With the period before the festive season producing record breaking sales for Penderyn brands in the UK, it's believed that the digital pivot contributed to its success. As the distillery's international footprint continues to expand and its team continues to learn on the go, Penderyn hopes that this tool could also be applied outside of the UK in the future.

With a number of digital alternatives to traditional trade and consumer interfaces offering convenience, as with many small brands and businesses, Roffe explains that this approach can consume valuable investment dollars with a limited return in the short term, especially in the travel retail and duty free industry where the projected recovery time of international travel combined with the consolidation of the power brands with major retailers acts as a barrier. Even so, Penderyn is still supporting the growing interest in the fast emerging “world whisky” category and working with operators to encourage travelers to desire, explore and experiment.

“With the emergence of both e-commerce and virtual engagement tools benefitting even a small player like Penderyn, these changes are forecast to be permanent shifts in consumer and shopper behavior. The way forward is finding the right combination of digital opportunities and tools with all of our in-market partners to make our investments productive and relevant,” says Roffe. As an example, Penderyn teamed up with Lagardère Travel Retail in Asia to livestream events to support its duty free partner.



At this time, the company is maintaining its pre-pandemic travel retail and duty free business and working with operators in key locations to ensure that a future presence in the channel can support its key markets

With its business development plan moving forward as planned, the company has a list of key projects on the go to add value to its business in 2021. Along with a second Penderyn distillery on track to open in early spring, the company has partnered with several other premium malt whisky brands in a new enterprise targeting the UK on-trade sector. A third location is underway and scheduled to start operating in mid-2022.

“Specifically, to the travel retail and duty free arena, we have been maintaining the business that was in place pre-pandemic. We are working with operators in key locations to ensure that a future

presence in the channel can support our key markets and access our target consumer groups. We have opened new business in the non-airport related duty free channel in the last six months,” adds Roffe.

With restrictions in Wales even more severe than the rest of the UK, Penderyn Distillery was forced to adapt quickly and take advantage of the UK government’s furlough schemes in order to safeguard employment. Prioritizing the safety of its team members, trade partners, consumers and residents, the company supported the local community with donation and sanitizer production in the early stages of the pandemic. Comparable to its production and distribution channels, its Visitor Center has changed practices and protocols to align with government guidelines.