

WELLINGTON BEWERY CASE STUDY

MARKETING STRATEGY



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Introduction

Brent Davies who serves as the president of Wellington Brewery stood in front of crucial choices regarding his company's path in June 2019 while the competitive landscape of craft beer markets showed quick transformations. The well-established craft brewery of Guelph that Wellington Brewery represents operated from Ontario where they had just completed a facility expansion to multiply their brewing volume from 24,000 to 80,000 hectoliters (Ivey Publishing, 2021). The brewery met multiple barriers because it faced deadly market competition as well as restricted distribution possibilities at LCBO and The Beer Store and required enlarged production with preserved product quality standards. The management issues grew stronger because of the firm's use of minimal revenue streams through contract brewing and the need to sustain innovation with the core product lineup (Jonas Fluchtmann, Willem Adema and Mark Keese, 2024).



The Canadian craft beer business experienced phenomenal growth that led to doubled revenues in 2018 as Canadian beer sales increased to \$20.2bn and are projected to reach \$22.1bn by 2023 (Ivey Publishing, 2021). By 2018 the Canadian brewing industry reached over 900 establishments, yet these high numbers produced excessive competition for manufacturers and shoppers alike (Research and Markets, 2023). The 25% financial reliance on contract brewing at Wellington Brewery made the business vulnerable to revenue effects since a major contract manufacturer cut operations down to 60% of projections (Ivey Publishing, 2021).

The debate exists between business expansion through retail and e-commerce platforms versus product diversity and innovation to attract different consumers (UN Women, 2024). A new trend in nitrogenated and non-alcoholic beers has appeared in the market space offering companies possibilities to create unique products (Ivey Publishing, 2021). The dual priorities between standard profitable beers and experimental award-winning brews create an ongoing challenge for Wellington Brewery's staff (Ivey Publishing, 2021).

Therefore, to thrive in the business competition and achieve growth sustainability, Wellington Brewery needs a three-dimensional approach that involves market store development alongside production expansion and operational streamlining. The brewery will enhance its market strength while exploiting new opportunities through existing challenges.

Background Analysis

Industry Overview

The beer market reached a value of 611.4bn worldwide in 2018 and Canada's portion amounted to 20.2bn within the same period (Ivey Publishing, 2021). Beer sales numbers in Canada declined by 0.7% in 2019 because consumers adopted health-focused lifestyles while competing for cider and wine as well as spirits gained popularity (Statista, 2024). Consumer preference for locally made distinctive beverages has stimulated the craft beer industry to grow from 1bn in 2014 to 1.9bn in 2018 (Ivey Publishing, 2021). The Canadian market became saturated because of expanding brewery numbers which surpassed 900 operations in 2018 and created tougher competition for distributors and retail customers (The Liquor Control Board of Ontario (LCBO) and The Beer Store (TBS) are regulatory bodies that create market barriers that prevent easy market entry and expansion for craft breweries (Ivey Publishing, 2021).

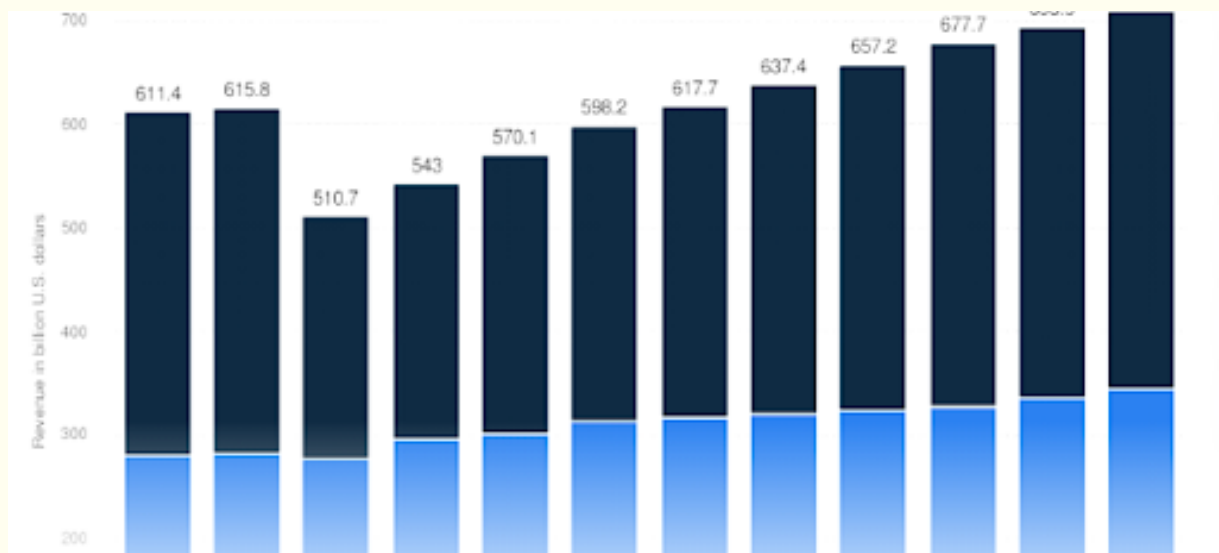


Fig 1: Revenue of the beer market worldwide from 2018 to 2029, by sales channel (in billion U.S. dollars) (Statista, 2024).

Company Overview

Wellington Brewery opened its doors to the world in 1985 as one of the earliest and biggest independently run craft breweries based in Canada. The 2019 annual report showed a total revenue of \$10M and a workforce of 45 people who averaged long service at Wellington Brewery (Ivey Publishing, 2021). The company carried out a recent expansion that tripled its annual brewing capacity to 80,000 hectoliters powered by modern equipment together with a new water treatment system. Wellington Brewery boasts award-winning products and experienced personnel accompanied by profound community relations that maintain strong loyalty from local customers (Ivey Publishing, 2021).

Key Issues

Wellington Brewery functions in an extremely competitive market against both local craft beer producers and major multinational firms such as Molson Coors and Labatt Brewing Company which claim half of the Canadian beer market (Ivey Publishing, 2021). The LCBO listing submission process along with restricted marketing channels act as regulatory barriers that restrict Wellington Brewery's market expansion (KPMG, 2024). The LCBO forces stores to achieve at least twenty liters of product sales during designated timeframes which adds sales performance pressure to their operations (Ivey Publishing, 2021). The brewery must find a way to successfully manage innovative product development against ongoing profitability needs. Furthermore, the credibility of a brand benefits from experimental small-batch beers but consistent revenue stability depends on high-volume core beer brands like lagers and ales (Ivey Publishing, 2021). The competitive landscape of craft breweries requires innovative approaches according to market observers but craft brewers mostly achieve market success by pursuing nitrogenated and non-alcoholic beer trends (UN Women, 2024). (Jonas Fluchtmann, Willem Adema and Mark Keese, 2024) suggests operational efficiency combined with retail growth measures will result in sustainable expansion because innovation involves significant costs and uncertainties. Wellington Brewery needs various revenue streams because contract brewing represents 25% of its earnings (Ivey Publishing, 2021). In conclusion, Wellington Brewery's challenges are emblematic of the broader craft beer industry, where balancing innovation, regulatory compliance, and profitability is essential for long-term success.

Analytical Tools

This section analyses the market segments and total marketing opportunities available to Wellington breweries in the Canadian market.



Fig 2: Market Share of Craft Beer Exports (Statista, 2021).

4Ps (Marketing Mix)

The 4 Ps framework (Product, Price, Place, Promotion) is essential for analyzing Wellington Brewery's market strategy.

Category	Analysis
Product	Wellington Brewery has built a strong reputation for its premium, handcrafted beers. Beer Canada (2020) reveals that craft breweries in Canada expanded their market presence raising their share from 5% in 2010 to reach approximately 9% by 2018. The company matches consumer taste preferences because ales have become more popular among craft beer drinkers. The strategic challenge for the company rests in developing markets for both nitrogenated beer and alcohol-free beer options. Non-alcoholic beer has achieved a 12% YoY growth in Canada (IBIS, 2024) though certain consumers doubt its authenticity as well as its taste quality.
Price	The Canadian craft beer market has a sensitivity to pricing because consumers will pay an additional 15-20% for premium craft beer products. Pricing pressure grows from Molson Coors and similar large breweries because their scale economies benefit their operations. Steam Whistle Brewery demonstrated a similar dilemma when it tried to keep premium standards without facing unfavorable price competition.

Place	<p>Retail stores function as an essential distribution method to sell craft beer products. Ontario grocery stores experienced a 40% escalation in their beer sales numbers from 2018 to 2022 (Brewers Association of Canada, 2023). The premier retail display slots predominantly go to major brands because of intense competition in the market space (CBC, 2023). E-commerce continues to develop as a significant retail segment because online alcohol sales experienced a 57% surge in the COVID-19 pandemic period (Bujalski M, Rowicka M., 2024). The obstacles of limited logistics and legal limitations (including provincial liquor laws) continue to restrict alcohol delivery (Financial Post, 2022).</p>
Promotion	<p>Every craft brewery requires community engagement to remain successful. Wellington Brewery demonstrates local commitment through its business operations because research shows that 75% of craft beer buyers prefer local beer brands (Deloitte, 2021). The importance of digital marketing has surged to such an extent that Collective Arts Brewery enhanced brand awareness through their influencer marketing and social media ad campaigns which resulted in a 30% increase (Marketing Week, 2022).</p>

SWOT Analysis

The SWOT analysis highlights Wellington Brewery's strengths, weaknesses, opportunities, and threats, which include intense competition and shifting consumer preferences (Ivey Publishing, 2021).

Strengths

The extensive history of independent operation at Wellington Brewery functions as an important organizational strength. Research shows that established craft breweries gain loyal customers because of their historical connection with the market. The market has proven that experience alone is inadequate for maintaining dominance because Bellwoods Brewery showcases innovative product offerings to quickly build market share.

Weaknesses

Many self-operating breweries experience negative effects when their products stay limited to specific retail channels. The Brewers Association (2023) reports that 67% of craft breweries manage to access retail channels. Profit margins suffer from this limitation when businesses distribute directly to consumers in taprooms because they can achieve 30-40% greater profits than from retail stores (Brewbound, 2018).

Opportunities

The sector of nitrogenated beer remains a small market segment where Guinness stands as its prime representative. The Canadian market shows growing popularity for craft versions of nitrogenated beers which caused sales to increase by 20% (Brewers Association of Canada, 2023). Non-alcoholic beer presents an opportunity however experts disagree about consumer adoption of taste challenges due to barriers facing adoption and rising acceptance by health-conscious millennials (Mintel, 2023).

Threats

The Ontario market contains more than 315 craft breweries which reflects the intense competition (Brewers Association, 2023). The restrictive liquor laws of Ontario prevent direct-to-consumer sales of alcoholic beverages which hampers craft breweries from achieving better profit margins (VALPEO, 2025). The alcohol drink consumption rate decreases among millennials because they consume 7% less beer than other groups (Statista, 2024).

The current market transformation requires Wellington Brewery to update its strategies while maintaining its established base. ESL's growth strategy represents a scalable business opportunity, but the company needs to control competition, regulatory barriers, and changes in customer behavior. Retail growth, e-commerce investment, and product expansion, including non-alcoholic beer options, will benefit the company's long-term sustainability. Therefore, Brent Davies's important leadership skills will direct Wellington Brewery through market hurdles while seizing new possibilities.

Environmental Factors (Marketing Environment)

The marketing environment exists in a state influenced by political elements such as cannabis legalization with economic developments such as slow beer sales, social tendencies of health-conscious consumers, and technological changes affecting brewing methods and e-commerce (Jonas Fluchtmann, Willem Adema and Mark Keese, 2024).

Factor	Analysis
Political	Through cannabis legalization, the Government of Canada has opened possibilities for breweries to investigate cannabis-infused beverages (Government of Canada, 2020). Craft breweries benefited from renewed grocery store sales regulations because they expanded distribution channels which led to more competition in the market.
Environmental	The craft beer revenue experienced significant growth reaching CAD 1.9bn in 2018 from 1bn in 2014 (Statista, 2024), yet Canadian beer consumption minimized during this period. The combination of economic doubts and inflation anxiety drives consumers to change their spending patterns (Brewers Association of Canada, 2023).
Social	Non-alcoholic beer sales grew by 50% in Canada from 2020 to 2022 (IBIS, 2024), because of the escalating health-awareness movement. Craft beer drinkers prefer distinctive encounters that involve touring breweries and purchasing restricted edition products (Forbes, 2021).
Technological	Brewing technology now enables craft brewers to innovate after the implementation of nitrogenated beer systems. After the pandemic E-commerce became essential because online beer sales in Canada rose by 300% between 2020 and 2022 (Statista, 2024).

Porter's Five Forces

According to Porter, value chain analysis involves the examination of activities to understand how they contribute to the creation of value and how they can be optimized to enhance the competitive advantage of the firm. Porter's Five Forces analysis shows that macro and craft breweries maintain intense market competition while new market entrance remains somewhat possible and substitutes such as cider and wine pose substantial threats. The power position of suppliers is low to moderate but buyers possess powerful bargaining capabilities because distributors restrict available shelf space (Ivey Publishing, 2021).

Factor	Analysis
Competitive Rivalry	Canadian beer manufacturers face intense market competition because the country contains more than 1,200 active breweries (Brewers Journal, 2023). Molson Coors and Labatt currently possess 50% of the market share which results in limited access to retail space for smaller brewery companies (Statista, 2024).
Threat of New Entrants	Moderate. From 2016 to 2018 the number of breweries grew by 30% however new players face difficulties becoming profitable because of regulatory barriers and high operational costs (Brewers Association of Canada, 2022).
Threat of Substitutes	High. Craft breweries must contend against non-beer alcoholic beverages that are becoming increasingly popular among young consumers along with wine and spirits products. The sale of cider experienced a 14% growth in 2021 (IBIS, 2024).

Factor	Analysis
Bargaining Power of Suppliers	Low to moderate. Pandemic-induced global supply chain disruptions affect the pricing stability of specialized ingredients needed by craft breweries for making hops and yeast. However, economies of scale favor larger breweries over smaller independents.

To thrive in its market Wellington Brewery needs to couple technological innovation with both new store expansion and non-alcoholic beer adaptability. The brewery operates under substantial competition from multinational breweries and independent beer producers who demand strategic marketing approaches for brand distinction.

Customer Analysis

The main consumer segment at Wellington Brewery consists of both millennials and fans who choose a special high-quality beer that local breweries create. The demographic known as millennials who were born between 1980 to 2000 expresses affection toward customized experiences and eco-friendly approaches while seeking genuine brand authenticity (OECD, 2024). Among craft beer enthusiasts the primary decision factor is product innovation because they show a preference for unique experimental brews (Ivey Publishing, 2021). The local ingredient preference among craft beer consumers is growing important because the World Bank (2022) reported that 60% of this audience pays higher costs for locally made ingredients.

Segmentation	<p>The demographic segment consists of urban middle-income professionals between 25 and 40 who choose to pay premium prices for craft beer. The target group focuses on consumers who choose local independent sustainable products and desire unique beer experiences. The three components of behavioral segmentation identify frequent craft beer consumers who also experiment with seasonal and limited-edition beer packs and individuals who choose direct-to-consumer interactions (Beer Canada, 2019).</p>
Targeting	<p>Craft Beer Enthusiasts specifically seek products that originate from small brewery barrels producing high-quality beverages made locally. The market segment of health-conscious Millennials demands low-calorie non-alcoholic innovative beers like nitrogenated and fruit-infused varieties. People who purchase environmentally responsible and sustainably produced items make up this group of consumers.</p>
Positioning	<p>As one of the longest-running independent breweries in Canada, the business relies on its authentic heritage. Market Insights states that the organization champions innovation through new flavors while developing nitrogenated beer with non-alcoholic beer alternatives to accommodate customer preference changes. The company builds its brand identity by actively supporting local events with sustainability initiatives through partnerships with nearby regional breweries.</p>

Furthermore, Wellington Brewery's customer-centric method can be better understood through the applications of both VPC (Value Proposition Canvas) and BMC (Business Model Canvas) models. The VPC establishes the brewery as a manufacturer of special and premium products that satisfy consumer demands for authentic and inventive goods. Wellington Brewery uses its experimental small-batch beer program to appeal to customers who want new and exclusive craft beer experiences (Ivey Publishing, 2021). The BMC showcases how Wellington Brewery created its powerful brand image by connecting with its community and promoting sustainable practices that attract millennial demographics and sustainability-minded customers. There is a disagreement between the two groups on whether focusing on sustainable local options drives attraction for millennials and craft beer fans, yet price remains a dominant factor for customers. Because of financial instability, the developing industry's popularity for craft beer does not overcome the 40% preference for economical options over high-quality alternatives (World Bank, 2022). Wellington Brewery requires premium price management alongside competitive market strategies to reach a wider consumer base.

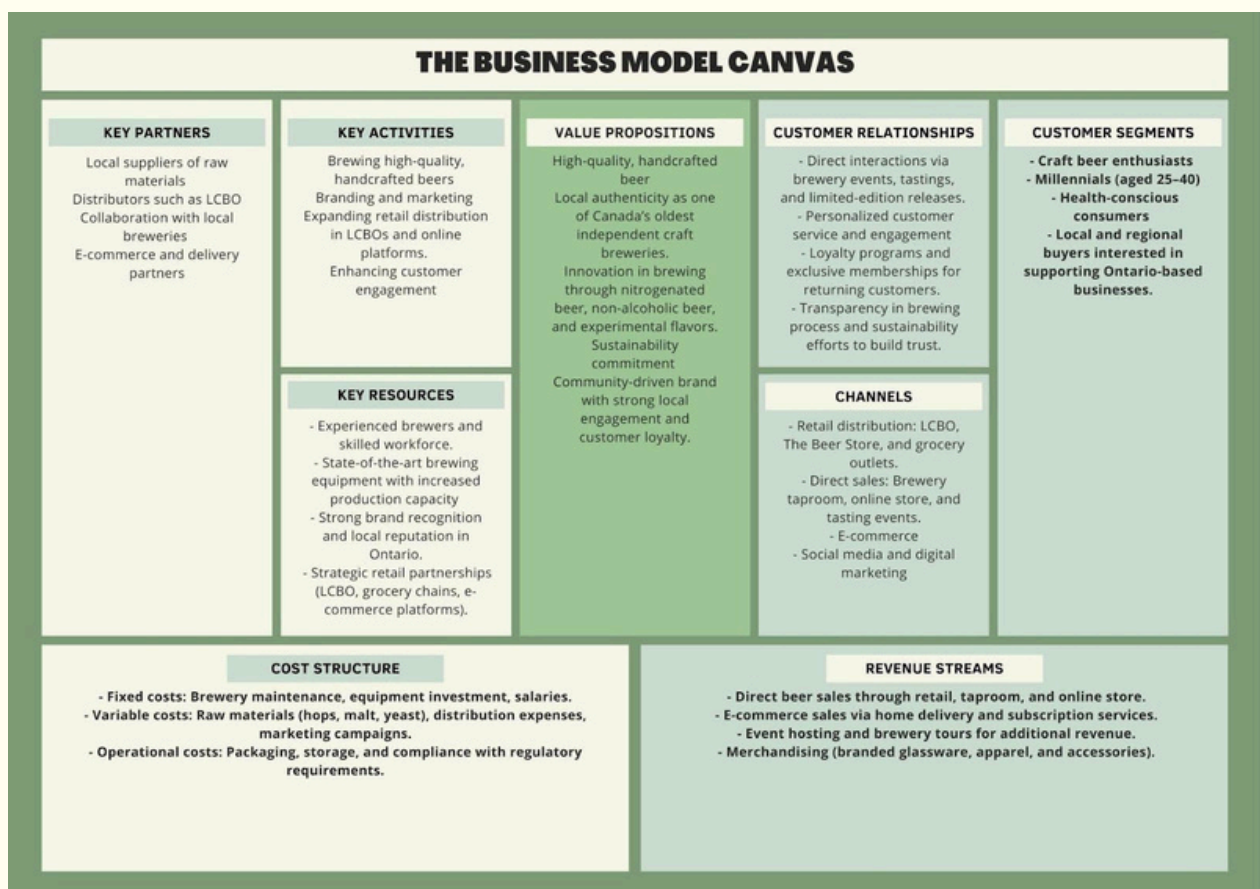


Fig 3: The Business Model Canvas.

Competitor Analysis

The brewery faces competition from macro breweries like Molson Coors and Labatt, as well as local craft breweries such as Royal City Brewery and Waterloo Brewing Ltd. (Ivey Publishing, 2021).

Macrobreweries

Wellington Brewery operates in a competitive market with Molson Coors and Anheuser-Busch InBev Company controlling 50% of the Canadian beer industry (Ivey Publishing, 2021). The powerful giants accomplish greater efficiency with their large scales along with comprehensive distribution reach and well-recognized brands. Traditional beer products at macro breweries have resulted in falling sales numbers because Canadian beer consumption decreased by 0.7% in 2019 according to World Bank 2022 statistics. Consumer taste preferences now favor craft beers instead of conventional mass-produced beers thus causing this market transition. Sleeman Breweries stands out as a successful differentiation model among Guelph-based breweries that Sapporo Breweries owns. The historic brand background of Sleeman together with its high-quality beverage catalog has allowed the company to succeed against both large-scale breweries and local craft producers (Ivey Publishing, 2021).

Local Craft Breweries

Wellington Brewery maintains its market presence against both macrobreweries and the local craft brewery segment made up of Royal City Brewery Fixed Gear Brewing and Waterloo Brewing Ltd. which recorded \$53.7M in 2019 revenue (Ivey Publishing, 2021). The breweries strive for both innovations together with community participation to compete aggressively for retail distribution opportunities and consumer brand commitment. Due to its small-batch experimental efforts Royal City Brewery has earned dedicated customer loyalty simultaneously Waterloo Brewing Ltd. grows its market reach through strategic business deals (Ivey Publishing, 2021). Survival in the crowded craft brewery industry requires craft breweries to form collaborative partnerships according to market actors. The beer industry uses collaborative networks for sharing resources and market research knowledge regarding regulatory limitations and business obstacles (Jonas Fluchtmann, Willem Adema and Mark Keese, 2024). Diversification allows certain businesses to create individualized products that distinguish themselves from competitors.

The competitive advantage of Wellington Brewery stems from its prize-winning products and established position in its local market yet continued innovation is essential for retaining its market standing.

RACI Framework

The RACI framework assigns roles for implementing strategies: Responsible (Brent Davies and senior management), Accountable (Board of Directors), Consulted (employees, community, retail partners), and Informed (customers, investors, regulators).

RACI Category	Stakeholders	Critical Analysis
Responsible (Executing the tasks)	Brent Davies (President), Senior Management Team	Brent Davies and the senior management team drive business operations, strategic decisions, and expansion initiatives. The leadership team supervised direct oversight when Wellington Brewery operated production expansion from 24,000 to 80,000 hectoliters due to security needs (Roy, 2024).
Accountable (Ultimate decision-makers)	Board of Directors, Key Stakeholders	High-level business strategies together with financial investments and compliance matters require approval from the Board of Directors. Long-term profitability undergoes assessment by major stakeholders who include investors. The strategic decision-making process of stakeholders became visible after Sapporo Breweries bought Sleeman Breweries (Statista, 2023).

RACI Category	Stakeholders	Critical Analysis
Consulted (Providing input)	Employees, Local Community, Retail Partners	Staff members share valuable information about manufacturing procedures, marketing activities, and operational aspects. Local communities and retail partners (e.g., LCBO and The Beer Store) influence distribution strategies. The Brewers Association of Canada (2021) demonstrates how consulting these groups enables the Canadian craft beer segment to achieve 9.6% of total beer sales in 2020.
Informed (Kept updated)	Customers, Investors, Regulatory Bodies	The communication channels used to inform customers include social media platforms with product information labels and specific events. Investors track financial performance. The Alcohol and Gaming Commission of Ontario along with other regulatory bodies act to verify that alcohol sales laws remain compliant throughout Ontario. The Ontario Government made changes in 2021 to expand the alcohol sales possibilities for grocery stores thus impacting the distribution needs of the industry (Ontario Government, 2021).

SFA Framework (Suitability, Feasibility, Acceptability)

The SFA framework evaluates solutions based on suitability (alignment with goals), feasibility (resource availability), and acceptability (stakeholder approval). This ensures that proposed strategies are practical and impactful (World Bank, 2022).

Criteria	Analysis
Suitability (Strategic alignment)	Wellington Brewery maintains a business strategy for local handcrafted innovative beers that matches current market preferences for brewery customers to choose craft production over major producers. Their expansion strategy matches the market growth because 80% of Ontario consumers favor drinking locally produced beer. The craft beer industry continues to expand because consumers choose distinctive premium experiences above all else. The dominance of macro breweries like Molson Coors allegedly restricts the market entry of craft breweries into nationwide grocery store distribution channels.
Feasibility (Resource capability)	The facilities at Wellington Brewery remain top-notch while the brewery maintains skilled employees at every station. Moving to produce 80,000HL proves technically viable. The rise of local breweries together with restricted retail display space continues to hinder the success of craft beer manufacturers (Brewers Association of Canada, 2023). Waterloo Brewing Ltd. showed that smaller brewery operations are profitable enough to succeed in Canada by generating \$53.7M in annual revenue in 2019 (Statista, 2023).

Acceptability (Stakeholder satisfaction)

The market requires sustainable ingredients and local branding for its craft beer products from customers. The investment world requires high financial returns from breweries and regulators conduct checks to verify legal adherence. People accept the offerings of Wellington Brewery due to the company's market recognition and dedication to sustainability which generates positive reactions. Customers seeking affordable beer products mark a potential market challenge against Wellington Brewery's premium craft beer offerings.

Alternatives

Alternative 1: Focus on Retail Expansion

Higher profits combined with expanded market access can be achieved through retail distribution into the Liquor Control Board of Ontario (LCBO) and grocery stores channels. The sales by the LCBO to grocery stores experienced a dramatic 60.8% increase in 2019 which resulted in \$246.7M in revenue (Ivey Publishing, 2021). The process of obtaining approval for products at the LCBO remains tough and demands extensive effort when combined with the fierce competition to claim shelf room. Ontario's retail market reflects the struggle for product placement by breweries as two-thirds of its 315 breweries lack retail distribution agreements (World Bank, 2022). Retail expansion remains a critical growth factor, yet some experts advocate its detrimental impact on small breweries through elevated costs and market competition (Forbes, 2025).

Alternative 2: Enhance E-Commerce Capabilities

According to Ivey Publishing (2021), the online sales of LCBO grew by 72% between years since 2019. The direct interaction with customers provides better market reach through this channel. Profitability diminishes for the brewery because of the combination of elevated shipping and packaging expenses and difficulties following Canada Post regulatory criteria. Wellington Brewery experienced dropped shopping carts during its first e-commerce launch phase (Ivey Publishing, 2021). The implementation of e-commerce depends on how well the brewery handles expenses while optimizing production methods (Srikant Gupta, Pooja.S. Kushwaha, Usha Badhera, Prasenjit Chatterjee, Ernesto D.R. Santibanez Gonzalez, 2023).

Alternative 3: Diversify Product Line

Entering the production of nitrogenated beer alongside non-alcoholic beer products would help Wellington Brewery reach new market segments and establish itself apart from rival breweries. Recent market figures show the non-alcoholic beer sector experienced a 31% growth during 2018 which indicates promising business potential (Ivey Publishing, 2021). The high costs associated with research and development combined with the chance of brand diversification problems present major challenges. The successful implementation of diversified products varies between breweries because some struggle to align these new initiatives with their traditional brand image (UN Women, 2024). Implementing this strategy requires detailed market research to match products with consumer examinations

Alternative 4: Improve Operational Efficiency

Sustained investments in automated methods together with data analytic applications create opportunities for both lower expenses and superior business choices. The implementation of the Ekos ERP system enables organizations to improve inventory management and advanced forecasting capabilities (Ivey Publishing, 2021). The main obstacles to implementing this system include its expensive startup costs together with the challenge of changing workers who use standard manual methods. Operational efficiency stands as a vital factor for scalability but needs successful change management with employee support for its implementation (Jonas Fluchtmann, Willem Adema and Mark Keese, 2024).

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Proposed Solutions

The sustainable growth path for Wellington Brewery depends on expanding into retail while creating new products and maximizing operational effectiveness. The approach achieves an equilibrium between market penetration along with selecting products that follow market directions while remaining cost-efficient.

Retail Expansion

The company can enhance profit potential and consumer reach by establishing retail outlets because all beer sales in Canada occur through retail stores (Brewers Association of Canada, 2023). The annual growth rate for craft beer at LCBO and The Beer Store expanded to 15% during 2021 (Statista, 2024). The market competition for Wellington Brewery becomes challenging since macrobreweries Molson Coors and Anheuser-Busch InBev control more than 70% of the market (Intel, 2023). To obtain a retail presence, Wellington Brewery needs to use unique branding and establish partnerships with local businesses.

Product Diversification

Customer preferences within the craft beer market now focus on alcohol-free, gluten-friendly drinks and flavored craft beer options. The low-alcohol beer sector experienced a 25% growth in 2021 (IBIS, 2024). The product expansion approach of Waterloo Brewing brought both RTD beverages and hard seltzers to market which contributed to a revenue increase of 18% (Statista, 2024). Brand dilution affects companies when they attempt product diversification because Bud Light Seltzer became unpopular with Canadian consumers. The new products developed by Wellington Brewery should remain true to the company's craft identity.

Operational Efficiency

The implementation of automation systems for brewing operations leads to cost reduction levels ranging from 10% to 15% (08, 2025). Sleeman Breweries elevated its profit margins by implementing AI systems that managed quality checks. The integration may face barriers because of staff reluctance as well as budgetary requirements. The combination of technology integration with artisanal practices will be achievable through a step-by-step process at Wellington Brewery. The extensive approach of this plan follows current market patterns and consumer preferences while maintaining business expansion and operational sustainability goals.

Recommendations

Wellington Brewery should implement a balanced approach that combines short-term actions with long-term strategies to ensure sustainable growth. These recommendations align with industry trends, consumer preferences, and operational best practices.

Short-Term Actions (6-12 months)

Increase Retail Presence	To achieve growth in Canadian beer sales, expanding into LCBOs and grocery stores is vital since these outlets generate 76% of the market (Brewers Association of Canada 2021). Beau's All Natural Brewing established substantial retail partnerships which enabled them to increase their sales revenue by 20% (Statista, 2022). Retail market competition gets challenging because macro breweries take up the majority (70%) of shelf space (Mintel, 2023).
Targeted E-Commerce Campaign	IBISWorld reports (2022) a 35% growth in Canadian online beer sales which makes a holiday-focused e-commerce campaign essential. The holiday campaigns of Waterloo Brewing resulted in a 30% growth in their direct-to-consumer sales. Profitability may suffer from high shipping prices and logistic expenses so the company requires local fulfillment centers to reduce costs.

Product Line Expansion	<p>Non-alcoholic beer sales expanded at a rate of 25% during 2021 (Statista, 2022). Wellington Brewery will differentiate itself through the introduction of nitrogenated alongside non-alcoholic beer beverages. Brand dilution risks have materialized in the market since Canadian sales of Bud Light Seltzer failed to perform well (Mintel, 2022).</p>
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Long-Term Strategies (1-3 years)

Invest in Automation & Data Analytics	<p>The implementation of artificial intelligence in brewery operations allows companies to cut their expenses by between 10-15% (Ontario Craft Brewers, 2022). Surviving technical and workforce incorporation problems necessitates proper management of initial capital costs.</p>
Community Engagement & Local Partnerships	<p>The brand loyalty of Steam Whistle Brewery grew substantially when the brewery started collaborating with Toronto's local festivals and restaurants.</p>

Implementation & Monitoring

Brent Davies and senior management will direct the project implementation. The project's outcomes will be evaluated through financial reports and customer feedback as well as performance metrics checked quarterly.

Conclusion

Wellington Brewery performs business in a Canadian beer market marked by intense competition between macro breweries and local craft breweries. The organization needs a detailed growth plan that integrates more retail locations with diverse products and operational excellence. Research shows that retail outlets account for 76% of beer sales in Canada thus LCBO and grocery store expansion fits with consumer preferences (Brewers Association of Canada, 2021). The major challenge for Tangled Tail Brewing Co. comes from Mitsubishi's Molson Coors and AB InBev's control of 70% of the market (Mintel, 2022).

The investment in e-commerce and non-alcoholic beer targets growing market sectors as both sectors showed 35% growth in online beer sales and 25% market expansion for non-alcoholic beer during 2021 (IBISWorld, 2022; Statista, 2024). The company needs to handle carefully the combination of high delivery expenses together with risks to brand strength. Through extensive investments in automated processes and partner-oriented programs, both Waterloo Brewing and Steam Whistle Brewery achieved increased operational performance and customer devotion.

Wellington Brewery should strike a strategic equilibrium between current growth targets and future sustainability to maintain its market position while improving earnings and performance in the changing Canadian beer industry.

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