

# Spirits Label Design Guide



## Tapping into Consumer Trends

Craft spirits are currently enjoying a growth in popularity comparable to that experienced by craft beer in the previous decade. Sparked by changing consumer habits and a surge of entrepreneurship, craft brewers grew their share of the beer market steadily between 2010 and 2020. According to the [Association of Small and Independent Craft Brewers](#), they now account for \$22.4 billion of the \$99.1 billion U.S. beer market.

Like craft brewers, craft distillers are well positioned to benefit from one of the most significant consumer trends of this century: the prioritization of experience over ownership. As millennials have become the largest demographic in the U.S., their values and purchasing power are driving changes across multiple product categories. This generation, and the ones following it, are investing more in gaining memorable experiences and less in acquiring material goods. That has driven growth in experience-based categories such as travel, live events and premium foods and beverages. That is now creating opportunities for craft distillers who can deliver new and distinctive experiences to these consumers.

According to the [American Craft Spirits Association](#), the volume share of craft spirits grew from 2% of spirits sales in 2015 to 5% in 2020 and is [projected to reach 10% by 2025](#). Due to the premium and ultra-premium nature of the products in this segment, craft spirits captured 7% of the \$31.2 billion spent on spirits in the U.S. in 2020 and that is expected to grow to 13% by 2025.

One byproduct of that projected growth will be increased competition as more brands enter the market. The distillers that succeed will be those that can deliver distinctive and high-quality spirits and take advantage of every opportunity to connect with consumers in meaningful ways.

Product labeling will prove to be especially important for craft distillers in making these connections. Data from the Associations of Small and Independent Craft Brewers, shows that of the 9,118 craft brewers operating in the U.S. in 2021, 7,115 were either tap rooms or brewpubs. Those physical locations enable craft brewers to connect with local consumers and gain traction before expanding distribution. Without this “launchpad,” craft distillers are more reliant on product labeling to create connections that effectively communicate and differentiate. For them, the label will often represent the first physical touchpoint with the brand and play an oversized role in purchase decisions.

Maximizing this opportunity requires that spirits label designers not only find creative ways to express the brand on the small canvas that the label represents, but also work to ensure their product stands out on store shelves in an increasingly competitive market. Fortunately, they have a rich palette of labeling materials and design techniques available to accomplish these goals. As they work through the process, they must consider:

- Brand image
- Shelf appeal
- Functional requirements
- Sustainability
  
- Intelligence

## Supporting the Brand Image

The first step for any brand considering labeling for a new product or redesigning labeling for an existing product is to ensure the label accurately reflects the brand image and position in the market. Most craft spirits are marketed as premium or ultra-premium alternatives to established brands so creating a perception of quality and attention to detail are common requirements. However, there are significant differences in the image brands present, ranging from those that want to connect with tradition to those building an image based on excitement and adventure. Understanding the brand image and the “story” product packaging needs to tell will guide virtually every decision made during the label design process. Once the brand image is defined, the challenge becomes finding the best ways to communicate that image through the label.

The fonts, colors and words used in the label design are critical components in communicating what the brand stands for and supporting the brand’s position, but so too is the label material and how it is treated. With options that range from clear films that highlight the clarity of the bottle’s contents to dark black or wood veneer labels that make bold statements, designers have a wide range of options to help them capture the essence of a particular spirit brand.

In addition to visual appeal, label designers can also enhance the tactile experience of their products through label material selection. The feel of a label can have a subtle but powerful impact on consumers pulling a bottle off a store shelf for the first time while also contributing to the overall experience a product delivers.

Choosing thicker facestocks can support premium and ultra-premium positioning by creating textures associated with luxury and indulgence while embossed foils and leather-feel varnishes signal richness and tradition.

Here are some of the most popular specialty labeling materials craft spirits brands are using to create a canvas for their brand story and enhance the tactile experience of the product:

**Wood veneer:** What could be more appropriate for a spirit aged for years in wooden barrels than a wood veneer label? Combining visual impact with the rich texture of wood, this material creates a strong association in consumers' minds with the attributes of premium and quality.

**Metallic:** Metallicized copper and silver films support a rich, distinctive look that holds the eye and can be effective at supporting brands using traditional ingredients and processes to create the highest quality spirits. The impact of metallicized films can be further enhanced through embossing that creates an eye-stopping engraved look on the metallicized label.

**Cotton:** Sometimes simplicity is the best approach and bright white cotton labels can support simple designs with a rich tactile experience. Alternately, black cotton facestocks make a bold statement that connects with consumers seeking adventure through their spirits choices. Available in a variety of textures, these versatile labels can be used to create high-contrast labels that attract the eye and stand out on store shelves.

**Hemp:** For brands leaning into natural or organic ingredients or seeking to connect with environmentally conscious consumers, hemp labels support a premium look and feel while combining natural hemp with post-consumer recycled content to achieve a sustainable labeling solution that supports premium positioning.

The selection of a facestock creates a foundation on which designers can express their creativity and can enhance every other decision they make throughout the process. As such, it is one of the most important choices a designer makes in creating labels that effectively capture the essence of a spirits brand.



## Shelf Appeal

Shelf appeal and brand image go hand in hand, but there are often design techniques or material choices that designers make specifically to attract and hold the eye of consumers scanning store shelves. A label that is effective at capturing the brand essence but doesn't encourage consumers to stop and explore the product will usually fail to meet a brand's objectives.

There are, of course, no firm "rules" for creating shelf appeal. What is attractive to one demographic may not work for another and the same is true for the retail environment. In addition, the differences between various packages are what makes some stand out more than others. If everyone was following the same rules those rules would quickly become ineffective. Understanding your market, your competition and the retail environment where your product will be displayed are all essential to designing labels that attract attention.

Here again material selection can play an important role. Using distinctive materials can help not only catch a consumer's eye as they browse a store shelf packed with choices, but also serve to hold attention and encourage exploration.

Flood or spot varnishes can also be used to enhance shelf appeal. Flood varnishes provide a wide range of finishing options while effective use of spot varnishes can be implemented to attract and focus the eye. Another tactic designers are employing is to incorporate neck labels into their product designs to highlight a brand's logo or call attention to key product attributes such as age. Effective use of varnishes, die cuts and neck labels not only make spirits bottles more distinctive, they send a message to the market about the attention-to-detail and quality the brand brings to its spirits.

## Functional Requirements

No matter how visually appealing a label is, if it can't stand up to the functional requirements of the application and begins to peel at any time in the life of the product, consumers will question the overall quality of the brand's offering. Achieving long-lasting performance is particularly important for craft spirits, which may be reserved for special occasions and consumed over several years. This is achieved by matching the label adhesive to the label material.

The way spirits are consumed and stored can also affect adhesive and material selection. It's become much more common to store some spirits in the freezer or to serve them in ice buckets, requiring a higher degree of moisture resistance than might be required for spirits stored in ambient temperatures.

These conditions generally won't limit a designer's choice of materials as even uncoated labels can be treated to achieve the required level of moisture resistance. "Wet-strength" label materials are impregnated with a liquid solution during manufacturing that allows them to resist saturation. "Water barrier" labels feature a layer of plastic between the label and adhesive that provides more protection from saturation and can maintain their integrity even when the bottle is submerged in an ice bucket.



## Sustainability

Along with a desire to partake in enriching experiences, today's consumers value sustainability in the products they purchase. According to a recent report by NielsenIQ, [Sustainable Business: The New Force to Be Reckoned With](#), 72% of surveyed respondents said they would be willing to pay a premium for products that claim to be sustainable—and 20% would be willing to pay a lot more for sustainable products.

There was a time when this would have created a challenge for brands seeking to achieve a premium or ultra-premium position but that's no longer the case. Designers today have access to label materials that can meet consumer preference for sustainability while supporting a premium position. When prioritizing sustainability, consider materials with the following attributes:

**Sourced responsibly:** "Responsibly sourced" is a broad term that generally means materials are sourced and procured in an ethical, sustainable and socially conscious way. A good way to validate material sourcing is through certifications as provided by organizations such as the Forestry Stewardship Council (FSC). The FSC promotes "environmentally appropriate, socially beneficial, and economically viable management of the world's forests." A wide selection of FSC-certified feedstocks are available for use on craft spirits bottles.

**Recycled content:** Label materials are now incorporating more natural materials and recycled content while maintaining a premium look and feel. For example, premium facestocks are available that feature 25% hemp and 75% post-consumer waste. Other facestocks combine recovered construction waste and recycled PE resin to create labels with a “stoneface” quality that exhibit excellent tear strength and moisture resistance. Label manufacturers are continuing to increase the use of recycled content in various facestocks, giving designers a good selection of materials that can strengthen a brand’s sustainability credentials.

**Recyclability:** Advances in adhesives are supporting more efficient recycling of label materials without compromising functional performance.

## Adding Intelligence

Like seemingly everything else in society, product labeling is becoming more intelligent, allowing spirits brand managers and designers to incorporate new features into labels that expand the story the label delivers and enhance loss prevention.

One of the most exciting labeling innovations in recent years is the use of Radio Frequency Identification (RFID) in labeling. By inlaying RFID technology into the label, brands can create physical connectivity with products and establish a unique identity for each bottle. This intelligence can be used to improve tracking of products from distilling through purchase, reducing the risk of loss or theft; enhance inventory management; and streamline checkout processes. The next stage in this evolution is to pair [intelligent labels with blockchain technology](#) to achieve a new level of product transparency and give consumers more information to support their purchasing decisions.

Another opportunity for enhancing consumer experiences is by using NFC technology in your label. When added to craft spirits labels, NFC gives consumers the option of exploring a brand in more detail in the store, learning about the distilling process or ingredients used or accessing mixing guides that highlight ways to use the product to create distinctive cocktails. One byproduct of the shutdowns that occurred during the pandemic was a growth in amateur mixology as people began mixing drinks at home. Just as millennial consumers seek out new and

distinctive brands, they also are interested in exploring new cocktails they can mix themselves. Adding NFC technology to a label with strong shelf appeal allows designers to not only attract consumers unfamiliar with the brand to stop and investigate but can extend their interaction with the product and increase the likelihood of purchase.



## Bringing it All Together

Designers know that truly eye-catching and brand-enhancing labels don’t follow a specific set of rules. The key is to stand out in ways that align with the brand essence and connect with target consumers. Achieving these goals requires a disciplined and often exhaustive process in which every detail matters, from the choice of colors and finishes to the use of die cuts and neck labels to the feel of a label when a shopper first picks up the bottle. All play their part in contributing to the statement your product makes and all are dependent on the material choices made at the beginning of the process.

Avery Dennison Label and Performance Materials offers a robust portfolio of craft spirits labels engineered to enable designers to fully express their creativity and create distinctive labels that capture the brand essence, connect with target customers and support sustainability objectives. [You can view our portfolio here.](#)

[label.averydennison.com](http://label.averydennison.com)

04/2022

All Avery Dennison statements, technical information and recommendations are based on tests believed to be reliable but do not constitute a guarantee or warranty. All Avery Dennison products are sold with the understanding that purchaser has independently determined the suitability of such products for its purposes. All Avery Dennison products are sold subject to Avery Dennison's general terms and conditions of sale found at [label.averydennison.com/en/home/terms-and-conditions.html](http://label.averydennison.com/en/home/terms-and-conditions.html).



© 2022 Avery Dennison Corporation. All rights reserved. Avery Dennison® is a registered trademark of Avery Dennison Corporation. Avery Dennison brands, product names, antenna designs and codes or service programs are trademarks of Avery Dennison Corporation.