



A CASE FOR VODKA

IT'S HARD TO CALL A SPIRIT 'NEUTRAL' WHEN THERE'S SO MUCH DIVERSITY WITHIN ITS CATEGORY

BY JEFF CIOLETTI



Vodka hasn't attracted the sort of feverish fandom that, say, whiskey and agave spirits have, but that, in a sense, is by design. If vodka is truly doing its job and being everything it's supposed to be, it's neutral—without color, aroma or flavor (mostly). What's to get excited about? Well, it still outsells every other spirit—that's pretty exciting.

The fact of the matter is that vodka's blank slate character empowers it to play exceptionally well with other ingredients in cocktails, helping it become the largest spirits category by volume—71.3 million of the 226.1 million 9-liter cases that make up the total U.S. spirits universe, according to the Distilled Spirits Council.

That means nearly a third of the spirits that legal drinking age Americans consumed last year was vodka. And, as large and mature as the category is, it still managed to post more than 2% volume growth in 2017.

If there's ever been a "something for everyone" category, it's vodka. And that "everyone" includes even the "craft" and

"authenticity"-minded consumers who gravitate toward brown spirits.

"If you pick up a magazine, it'll say that whiskey is the top trend, and now that the female demographic is invested, it continues to rise," observes Sly Cosmopoulos, Corporate Mixologist at Republic National Distributing Co. (RNDC). "Then I pick up another magazine and it's tequila, and then in another magazine it's 'poor tequila, mezcal is taking over.' And then another and it's gin, with all the different botanicals."

Often forgotten among those sexier headlines is vodka. But it's no less relevant. "When you're dealing with the mass market, the general public, the average consumer—open the front door and look up and down the street in the neighborhood—it's still vodka," says Cosmopoulos. "With all the different price points and styles and flavors, there really is a different vodka for every age and demographic."

VALUE VODKA STILL ROCKS

Low price doesn't necessarily mean low quality. Since there's no aging involved

with vodka, it's bottled and distributed quite soon after distillation and doesn't have to sit in a barrel for a couple of years not making any money. Vodka tonic drinkers typically aren't looking to break the bank and they can't go wrong with something along the lines of Georgi, Popov, Burnett's or New Amsterdam, all of which sell off-premise for around \$13 and under for a 750ml bottle. And there's a good reason value vodkas come in large bottles, too: they are crowdpleasers that don't bust budgets—perfect for parties.

Value-priced vodkas are also ideal for infusions, which are a real cash cow for Washington, DC's Eastern European eatery Russia House Lounge—whose menu boasts some 200 vodkas. "I just use different house vodkas and go for the best deal," says Russia House general manager Andrew Embree, "As long as it's a decent vodka, when you infuse it correctly, it takes any of the kick out of it." Russia House sells infusions—everything from pickle, horseradish and mango to roasted tomato and habanero—for \$10 a shot, so it's a highly profitable endeavor.

FLAVORS: EVOLUTION, NOT REVOLUTION

Of course, not all flavors have to be homemade. And it was not too long ago that you could barely think of flavors that had not already been tried. And the sub-category itself was ripe for parody. Flavored vodka may have taken a bit of a hit recently—the segment lost 400,000 cases last year, according to the Distilled

CLOCKWISE FROM TOP LEFT: Vodka's superpower is its ability to play a role in countless cocktails, such as Absolut's Unicorn Froze. // Belvedere is among the distilleries championing rye as a vodka base. // Absolut Patriot Punch. // The 17th-century manor "Le Logis" is a signature element at Grey Goose, situated in France's Cognac region. // Deep Eddy Blueberry Ginger Mule // Simple yet sophisticated: Ketel One Botanical Cucumber & Mint with a splash of soda. // Van Gogh Vodka's Dutch Berry Gimlet. // Grey Goose Martinis.



Spirits Council—but there always will be a place at the bar and on the retail shelf for ready-to-drink flavors. The segment is just evolving away from gimmicks.

“It’s been seven or eight years since the huge confectionery [flavored vodka] trend, the whipped cream, the Fruit Loops flavors,” says Cosmopoulos. “We’re steering away from that and we’re starting to see lighter flavor profiles.”

At the Value end, Burnett’s and Pinacle remain flavored vodka anchors. But also at more premium price points, with the exception of Tito’s, practically every big brand—Absolut, Stolichnaya, Smirnoff, Svedka, Ciroc, Ketel One—has distinctive (and valuable) flavors in their franchise. And continued promotions by established vodkas that remind consumers how easy and rewarding these variations can be. Meanwhile, some national brands—Van Gogh, for one—have become synonymous with flavor, while craft-scaled brands such as Charbay and new labels like Western Son are gaining traction.

Old stand-bys like citrus will remain on-trend, as will spicy, peppery expressions. Absolut was among the pioneers of both. In 1986, seven years after the brand launched its original vodka, it unveiled Absolut Peppar and, two years later, it introduced Absolut Citron. Both remain in the Absolut portfolio today. Last year, the brand launched Absolut Lime—and launching this summer: Grapefruit.



The Skyy Vodka portfolio also includes a number of tropical and citrus offerings within its Skyy Infusions line. Among those are Citrus, Texas Grapefruit, Blood Orange and Pineapple. A sign of the times:

Brands continually reinforce vodka’s flexibility in cocktails by serving up easy recipes and delicious imagery. Seen here: Absolut Citron “Champagne Popper” and Van Gogh’s “Peachy Palmer” minis.

the latest Infusion is a re-boot: Watermelon is back, but now it’s “Sun-Ripened” and featuring real fruit.

Meanwhile, Austin Texas-based Deep Eddy, now part of Heaven Hill brands, has gained as much attention for its Ruby Red Vodka—which includes real grapefruit juice—as it has for its 10-times-distilled original.

One of the flavored vodka game’s biggest rising stars of the past few years has been cucumber. “Everyone would say that cucumber was a really hard flavor to capture in a bottle, but now we’re seeing a lot of it,” Cosmopoulos adds. In 2016, Svedka combined a pair of the hottest trending flavors when it introduced Svedka Cucumber Lime. And, in April of this year, the venerable Stolichnaya brand launched Stoli Cucumber.

Focus is another trend. One longtime leader in the flavor arena, Van Gogh, scaled back last year from 24 flavors to 15. Double Espresso is their best-selling flavor overall, followed by Açai-Blueberry, suggesting people still have a taste for the exotic. That’s what keeps driving a brand like Figenza, whose fig flavor doubles as a bit of a curiosity for consumers looking to try something a bit different, and as an interesting cocktail enhancer to mixologists.

THE LOCAL TEAM SCORES BIG

Vodka is an incredibly crowded category and it’s notoriously difficult for a new brand to break through. But if the craft beverage movement has taught us any-

thing, it’s that local sells. Brands like Tito’s and Deep Eddy may be national players now, but both are still very much Austin brands with fiercely loyal followings around the Texas capital.

“If a brand is local, then that is a selling point for that particular area,” says JR Starkus, Nevada-based master mixology for Southern Glazer’s Wine & Spirits. He points to the Frey Ranch Estate Distillery in Fallon, Nevada as an example. “You want to do local, here’s someone who’s doing it local on their farm, at a single distillery. But that’s tied into how close you are to the source. It doesn’t mean anything in Texas—Texans are going to do Deep Eddy and Tito’s.”



INGREDIENTS FOR SUCCESS

Another element that Nevada’s Frey Ranch has going for it is its grain base—made from an uncommon combination of corn, rye, wheat and barley. That wouldn’t have mattered a handful of years ago, but today’s consumers are increasingly attuned to how their spirits are made and the ingredients with which they are made.

“Consumers are savvier now than they’ve ever been and they’re more aware of what they’re putting in their bodies,” says Cosmopoulos. “They realize, ‘I want potato vodka,’ ‘I want wheat vodka,’ ‘I want rye.’ A lot more people are taking a look at the base ingredient.”

That’s what convinced Belvedere and Sobieski to play up their respective rye bases in marketing and prompted Chopin to release its “Single” line of spirits distilled only once to retain the character of its base—be it wheat, rye, barley or potato.



Potato remains a classic base, and arguably carries more cachet today than it ever has, thanks to producers who treat it conscientiously. Examples besides Chopin include Karlsson's Gold (Sweden), Boyd & Blair (Pennsylvania), LIV (Long Island), Blue Ice (made with Idaho potatoes); Gorgeous (Montana); and Chase from England, created by the family behind a famous Tyrrell's potato chips for some serious potato pedigree.



Grey Goose probably gets much of the credit for making people start to care more about bases. Few people were talking about "winter wheat" before the Sidney Frank-launched, now-Bacardi-owned brand exploded onto the market. And now it's part of the everyday vodka drinker's lexicon, tied to no single country. Ravo, for instance gets as much mileage playing up its Swedish winter wheat base as Grey Goose does with its French crop.



Grey Goose also got people talking more about water sources, as well, being sourced from a pristine French spring. It certainly has helped pave the way for the success of brands like Global Spirits USA's Leaf Vodka, whose water sources are front-and-center on its label. One iteration is made from Alaskan glacial water and the other with Rocky Mountain mineral water.

The growing ingredient orientation also has enabled smaller brands to distinguish themselves by showcasing their off-the-beaten-path bases. That's a definite selling point for Argentina's Primo Vodka, made from Malbec grapes. Ciroc is certainly the best known of the grape vodka niche, but it's far better known for

Marketing emphasis has shifted away from number of times distilled and types of filtration; ingredients are emerging as more important. Potatoes rule at Chopin, while rye stars at Belvedere.

its association with brand partner Sean "Diddy" Combs than its base. A similar case can be made for Bedlam Vodka from Durham, NC-based Graybeard Distillery. Bedlam's base is rice—more commonly associated with saké, but not so frequently linked to vodka.

As for some really out there ingredients, Fair Vodka is made in France from quinoa. Hangar 1, the Alameda, California distillery adept at offbeat fruit vodkas such as Buddha's Hand, also created a Fog Point expression using water harvested from San Francisco Bay fog. Black Cow, made



in England from the milk of grass-grazed cows, is not in the U.S.; but in suburban NYC there is nice vodka made from honey, called Comb. And Peony Vodka, from the Hudson Valley, includes nine natural ingredients, most importantly the essence of its namesake flower.

ORGANIC: THE NEW PURITY

As vodka marketing tactics go, "X-times-distilled" is starting to feel nostalgic. Consumers bought into the idea that each distillation would render the spirit even more pure. Ditto filtering—from charcoal to diamonds—again in the name of purity. Well, here is a radical idea: the purest spirit starts with pure

KETEL ONE SHIFTS THE CONVERSATION

Next time someone asks "Is there anything new in vodka?" you can say yes without hesitation. Ketel One has a trio of new products which, if not game changers, undoubtedly represent a contemporary take on flavored vodkas.

Very consciously named, Ketel One Botanical is vodka distilled with real botanicals and infused with natural fruit and botanical essences. Made with non-GMO grain and finished at 30% ABV, the spirit has no carbs, no artificial flavors, no sweeteners and only 73 calories. Beyond pushing lifestyle buttons, it also delivers aromatics and flavor that with just ice, a splash of soda and a garnish become an instant sophisticated cocktail.

The prime drivers behind the spin-off are 11th generation brothers Carl Nolet Jr. and



Bob Nolet. "Just as our father redefined the possibilities for vodka with the exceptionally smooth crisp taste of Ketel One Vodka, we believe Ketel One Botanical sets a completely new standard in spirits," says Bob Nolet.

Available in three expressions—Peach & Orange Blossom; Cucumber & Mint; and Grapefruit & Rose—at SRP \$24.99, the new members of the Ketel One portfolio are hitting shelves and backbars now.



ingredients—and in that respect, organic vodkas separate themselves logically and provide a natural selling point.

American Harvest Organic Vodka, recently repackaged, is made from organic Rocky Mountain wheat, certified organic ingredients and water from deep beneath the Snake River Plain. The Snake River actually runs under the Square One distillery; they use organic rye as a base. Prairie, also recently redesigned, is proudly made Minnesota, starting with single-vintage organic yellow corn grown on family farms, without herbicides and pesticides (Prairie also make Cucumber). The Crop line is a veritable organic garden with flavor extensions cucumber, tomato and lemon. Ocean Organic Vodka, made in Maui, is made using sugar cane and ocean water, naturally. And from Europe, Punzone uses organic Piemontese wheat and water from the Italian Alps; Kanon is made from organic wheat in Sweden.



Grey Goose incorporates its estate in France into much of the brand's content and imagery. // Taking over an old glass factory outside Pittsburgh, Boyd & Blair was only the second distillery in Pennsylvania since Prohibition; their vodka is made from local potatoes. // L'vov Vodka, made from beets, proudly wears a map of Poland on its label.

Of course, Russia remains well represented by evocative brands such as Beluga, Hammer & Sickle, Legend of Kremlin, Ruskova and Russian Standard.

Then again, the great thing about vodka is you can make it anywhere—that factor can elevate locales from around the globe. Ketel One, Van Gogh, Vox and Effen all hail from the Netherlands. Finlandia comes from Finland, Reyka from Iceland, Three Olives from England, and Ao from Japan. Absolut and Svedka come from Sweden, as do Purity and Ravo. Canada supplies Crystal Head, Iceberg and Pearl. Don't forget Slovenia Vodka, whose brand team includes chef Peter X. Kelly, Mikhail Baryshnikov and Bill Murray—not to be confused with the Slovakian vodka Double Cross.

A SENSE OF PLACE

Most brands showcase their place of origin in one way or another, but some wear it on their sleeves. Think Khor Vodka, which proudly highlights its Ukrainian heritage. Khor takes its name from Khorotytsa, a famous, natural wonder of an island on Ukraine's River Dnieper.

And, while there are so many vodkas coming out of Poland—which claims to be the birthplace of the spirit, much to Russia's consternation—few own their homeland as much as L'vov, whose package contains a very detailed map of its region of origin. More Polish pride can be found in Wyborowa and Luksusowa and 1852 Kurant Crystal Vodka.

ROYAL TREATMENT

Finally, sometimes consumers just want to splurge, especially if they've got money to burn or they just want to live the celebrity lifestyle—if only for one night.

Italy's Carbonadi vodka is very much tied to its luxurious image—thanks in part to its price tag. "Carbonadi will probably run you \$80 to \$100 off premise, but in one of the Las Vegas night clubs, a bottle will probably run you \$1,000," says Starkus.

Similarly, Stoli Elit, easily recognizable by its sleek, silver and black bottle, usually costs



around \$60 to \$75 a bottle off-premise, with a hefty markup in bottle-service-style establishments. Then there's Stoli's Elit Pristine Waters series, which sources from exotic, remote locations. Bottles often run upwards of \$3,000—off-premise!

"There's definitely a pocketbook that goes along with something like that," Starkus says. "People purchase it simply because they can. In the world of the mega-rich and super-rich, they want to show each other up and show you what they have and you don't."

But there is also a practical side to luxury vodka, especially off-premise—it arguably makes a safer gift than more particular-tasting spirits at similar price points.

IMAGE NO LONGER EVERYTHING?

Vodka's blank slate character naturally provides ample freedom for creating brands, from the fanciful to the commemorative. Consider Mamont, a Siberian vodka, was launched by an explorer to celebrate the discovery of the Yukagir Mammoth; its bottle is modeled after the tusk.

Then, of course, marketers have always had fun with vodka: Bong Vodka's bottle embodies its name; Black Death became a perennial Halloween hit; Crystal Head embraced both celebrity ownership by Dan Aykroyd and chic/cheeky skull-shaped packaging. Some vodkas draw inspiration from local history and geography; others tie in to causes (Heroes, Salute, Simple, Equality). The list of image-driven vodka brands is long, as vodka's neutral character continues to act as a very willing enabler. ■

