

# The Craft Distillery Profit Playbook: How to Add \$10K+ Monthly Revenue Without Increasing Production

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## The Crisis

### The Numbers Don't Lie

1 in 7 craft distilleries closed in the past 3 years. The survivors aren't outworking the competition—they're outthinking them.

While struggling distilleries focus on producing more barrels and cutting costs, profitable operations discovered something counterintuitive: **the highest margins aren't in production. They're in experience.**

The distilleries thriving right now generate 40-60% more revenue per bottle by changing one thing: how customers interact with their product.

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## The Traditional Model is Broken

### Why Standard Bottle Sales Kill Your Margins

Traditional retail model:

- \$45 retail bottle = ~\$15-20 in actual margin after production, overhead, distribution
- One-time transaction
- Customer buys and leaves
- No repeat visit incentive
- Competing with every liquor store and online retailer

**The hidden cost:** Every bottle you sell the traditional way is a missed opportunity for 3-4x the profit.

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## What Profitable Distilleries Do Differently

### The Experience Economy Model

Smart distilleries shifted from *selling bottles* to *selling experiences*:

- Barrel-select programs
- Bottle-your-own stations

- Custom blending experiences
- Private barrel picks

### Why it works:

- **Higher margins:** \$70-90 per bottle with 60-70% margins vs. \$45 with 30-40% margins
  - **Increased engagement:** Customers spend 45-60 minutes in your facility instead of 15
  - **Repeat visits:** People come back to bottle more or bring friends
  - **Word-of-mouth:** Customers share their custom bottles on social media
  - **Zero distribution costs:** Direct-to-consumer in your bonded space
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## The Real Numbers

### Case Study: Illinois Craft Distillery

*Month 1 with bottle-your-own program:*

- **\$13,000+ in additional revenue**
- From a system that required zero additional staff
- On product they'd already produced

### Case Study: St. Augustine Distillery

*After upgrading to premium bottle-your-own system:*

- Went from ~60 experiences per month to **120 per month**
- At \$200 per experience
- **That's \$12,000 more per month. \$144,000 per year.**

### But here's where it gets even better:

These 120 customers don't just bottle and leave. They're bringing friends and family who wouldn't have visited otherwise. Those companions are spending money in your gift shop, buying cocktails, purchasing additional bottles.

A portion of the 120 bottlers are also buying other products while they're there—adding another 20-40% on top of their bottling experience.

**The multiplier effect:** One bottle-your-own customer at \$200 often generates \$250-300+ in total facility revenue when you account for their companions and additional purchases.

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## How Distilleries Run Their Programs

There's no one-size-fits-all approach. Here are some of the most successful setups:

### Walk-In with Reservations (Texas Distillery)

- Reservations required, but near-constant availability
- 4+ fillers with different spirits to choose from
- Staff guides each experience (5-10 minutes per customer)
- Best for: Flexibility with quality control
- Typical pricing: \$75-125 per bottle

### Exclusive Expression Model (Tennessee)

- Unique spirits available *only* through the bottling experience
- Creates scarcity and urgency
- Averaging a barrel per month in sales through this program alone
- Best for: Creating destination-worthy offerings
- Typical pricing: \$100-200+ per bottle

### Tourist Destination Integration (Florida)

- Became a stop on the local trolley route
- New potential customers arrive every 15 minutes
- Converts tourist traffic into high-margin experiences
- Best for: High-traffic tourist areas
- Typical pricing: \$150-200 per bottle

### Flexible Bottle Size Options (California)

- Offers both 750mL and 375mL bottles
- Same equipment with sight glass attachment
- Maintains strong margins while lowering barrier to entry
- Converts hesitant customers who aren't ready for \$90+ commitment
- Best for: Capturing broader customer base
- Typical pricing: \$45-60 (375mL), \$90-120 (750mL)

### Taste-Before-You-Bottle (Minnesota)

- Sampling ports added to each filler
- Customers can taste for ~\$7 before committing to full bottle
- Removes purchase hesitation, increases conversion
- Best for: Higher-priced offerings, unfamiliar expressions
- Typical pricing: \$7 tasting, \$100-200+ per bottle

**The key insight:** There are dozens of ways to make this experience unique and profitable for your specific facility, location, and customer base. The equipment adapts to your vision—not the other way around.

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## **The Three Levels of Implementation**

### **Level 1: Single Station**

- Hands-on, customer-interactive bottling experience
- Best for: Testing the concept, smaller operations
- Expected revenue add: \$3K-\$8K/month

### **Level 2: Dual Station**

- Offer two distinct spirits simultaneously for greater selection
- Best for: Established operations ready to scale
- Expected revenue add: \$6K-\$13K/month

### **Level 3: Multi-Station (4+ Fillers)**

- Every guest can bottle their preferred spirit without waiting
- Private barrel selection events and VIP membership programs
- Best for: High-traffic destinations
- Expected revenue add: \$12K-\$20K/month

*Note: All systems install in your bonded space to maintain TTB compliance*

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## **Implementation Checklist**

### **How to Launch Your Bottle-Your-Own Program**

#### **□ Week 1-2: Planning**

- Determine pricing structure (typically retail + 40-60%)
- Select which products to offer
- Choose your program model (walk-in, scheduled, etc.)
- Plan bonded space layout

#### □ **Week 3-4: Setup**

- Install filling equipment in bonded area
- Train staff on process (15-20 minutes)
- Create signage and marketing materials
- Set up booking system if using scheduled sessions

#### □ **Week 5-6: Launch**

- Soft launch with existing customers
- Gather feedback and refine
- Promote through email/social

#### □ **Ongoing: Optimize**

- Track participation rates
- Test different bottle options and pricing
- Build repeat customer base
- Refine program model based on results

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## **Common Objections (And The Truth)**

### **"Our customers won't pay premium prices"**

Reality: They will for experiences. Your current customers buy \$8 craft cocktails. A \$75-200 custom bottle they filled themselves is a story they'll tell for years—and bring friends back to experience.

### **"We don't have room in our bonded space"**

Reality: It bolts straight onto the barrel racks you already have. Very minimum space taken up.

### **"We don't have staff to run this"**

Reality: After initial 20-minute training, filling takes 5-10 minutes per customer. They do most of it themselves. St. Augustine handles 120/month with existing staff.

## "Our margins are already good"

Reality: It's not about replacing what you're doing—it's about adding a new revenue stream from product you've already made. Every bottle-your-own experience is pure margin expansion.

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## Your Next Steps

**The distilleries that survive the next 3 years won't be the ones working harder—they'll be the ones working smarter.**

You've already done the hard part: creating great spirits. Now it's time to capture the full value of what you've made.

### Three actions you can take this week:

#### 1. Calculate your potential:

- 250 visitors/month × 10% participation × \$100 per experience = **\$2,500/month** (\$30,000 annually)
- 1,000 visitors/month × 10% participation × \$100 per experience = **\$10,000/month** (\$120,000 annually)

#### 2. See it in action: Watch a short video of how the system works on Instagram →

<https://www.instagram.com/p/C5G6aW4OuGD/>

#### 3. Talk to us: Send an email to [jeff@singleshootbarrelworks.com](mailto:jeff@singleshootbarrelworks.com) to set up a quick call and see if this experience makes sense for your operation.

**Questions?** Call 843-860-1038

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## About SingleShot Barrel Works

We've helped dozens of craft distilleries add \$3K-\$20K in monthly revenue through bottle-your-own experiences. Based in Charleston, SC, we design and manufacture filling systems specifically for craft spirits operations.