



How to Build a Craft Beer Drinker

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T R O P O S

STRATEGIC BRANDING AND INSIGHTS

the
futures
company



Today we will explore:

- **The overall direction of American culture today**
- **The intersection of youth, gender, ethnicity, and beer**
- **The attitudes, values, and motivations that separate craft beer drinkers from others**



About the 2015 U.S. Yankelovich MONITOR survey

- **10,000+ respondents (9,500 21+)**
- **Attitudes, values and priorities of U.S. consumers**
- **Nationally and ethnically representative**

A top-down view of a glass of beer with a thick head of foam, centered on a dark wooden surface. The beer is a golden color, and the foam is white with many small bubbles. The text "WHO ARE THE DRINKERS IN 2016?" is overlaid in white, bold, sans-serif font.

**WHO ARE THE DRINKERS
IN 2016?**

Millennials continue to account for a majority of the drinkers

	Total Population 21+	Weekly Beer Drinkers	Weekly Craft Beer Drinkers
Millennials	29%	41%	57%
Gen Xers	25%	27%	24%
Boomers	35%	27%	17%
Matures	10%	5%	2%



The heavy skew to higher income continues as well

	Total Population 21+	Weekly Beer Drinkers	Weekly Craft Beer Drinkers
Under \$35K	29%	20%	13%
\$35K to \$50K	11%	9%	6%
\$50K to \$75K	18%	17%	15%
\$75K or more	42%	54%	66%



Women continue to be seriously under-represented

	Total Population 21+	Weekly Beer Drinkers	Weekly Craft Beer Drinkers
Male	49%	74%	75%
Female	51%	26%	25%



But there's good news on Hispanics

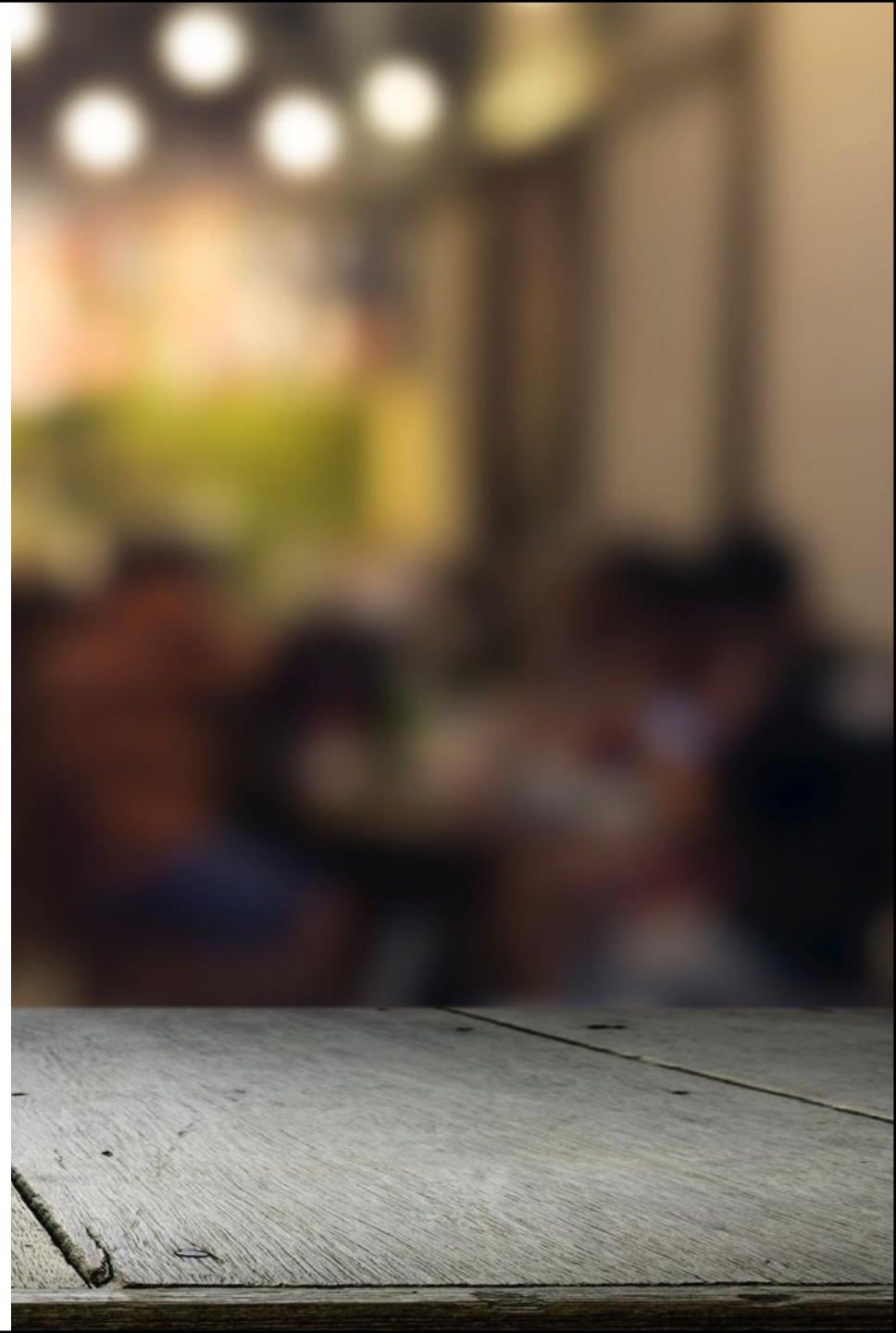
	Total Population 21+	Weekly Beer Drinkers	Weekly Craft Beer Drinkers
White (Non-Hispanic)	65%	62%	60%
African American (Non-Hispanic)	12%	11%	10%
Hispanic	15%	20%	21%
Asian / other	6%	6%	9%
Considers self multi-racial	14%	19%	24%



THE CONSUMER CONTEXT

There are three major components of the context in which beer drinkers live

- 1** Slowly steadying financial outlook
- 2** The blending of personal identity
- 3** Values-driven consumption





1

**Slowly steadying
financial outlook**

On more solid ground

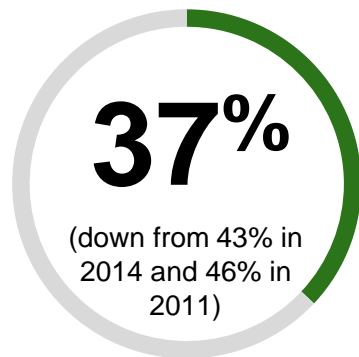
Job market continues to build

Signs of life on the wage front

Cheaper oil putting \$ in pockets

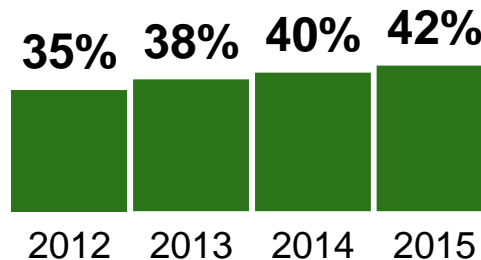
Tensions lifting

More in control



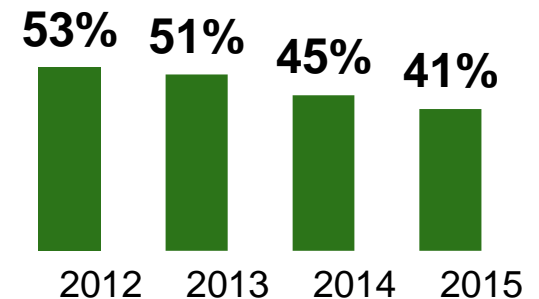
I do not have as much discipline as I would like when it comes to how I spend my money

More comfortable



I am financially comfortable
(vs. I have just enough to get by and I'm having financial difficulties)

Less anxious



Very/somewhat worried about: Keeping up with the cost of living

A renewed sense of possibility

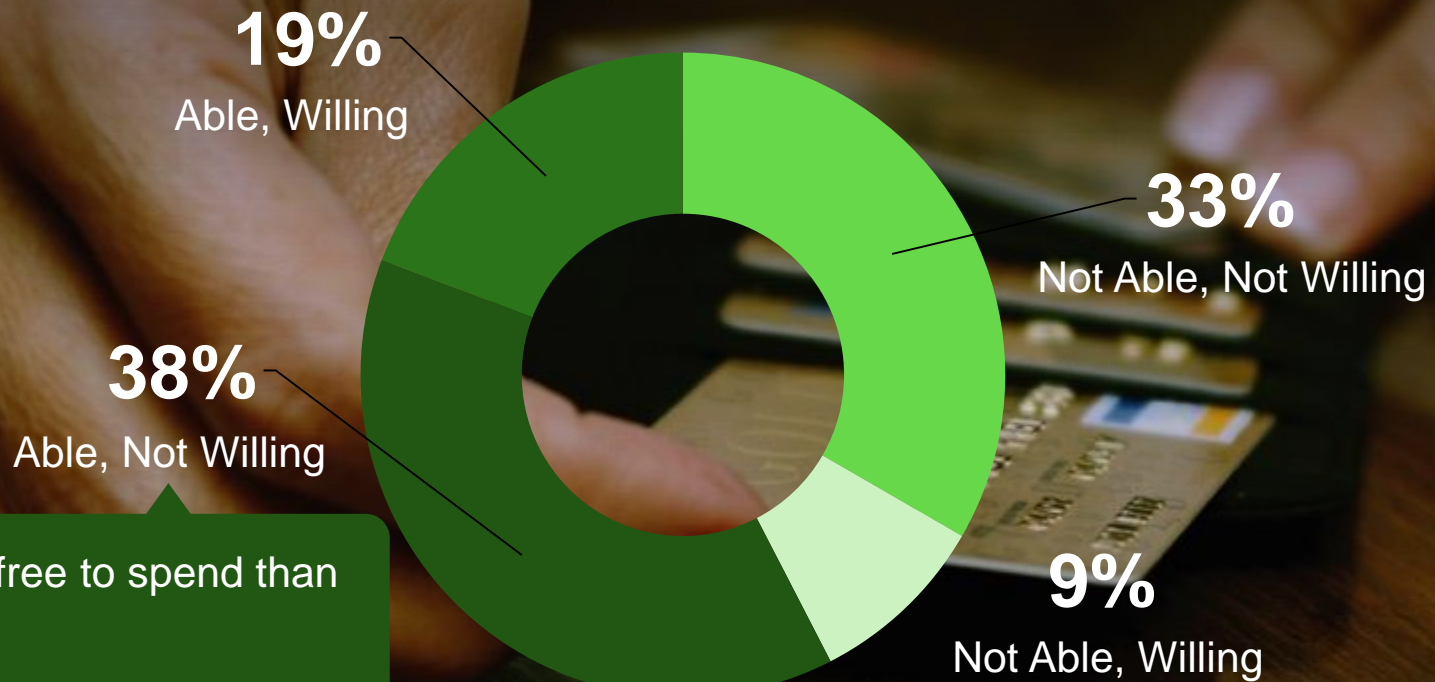


More than the recent past, I
feel energized and
enthusiastic about the
**possibilities ahead of me in
life**

Poised to engage with the marketplace



...yet a psychological barrier stands in the way



- Feel more free to spend than past

YET....

- Unexcited by the marketplace
- Lacking enjoyment
- Need new reasons to buy

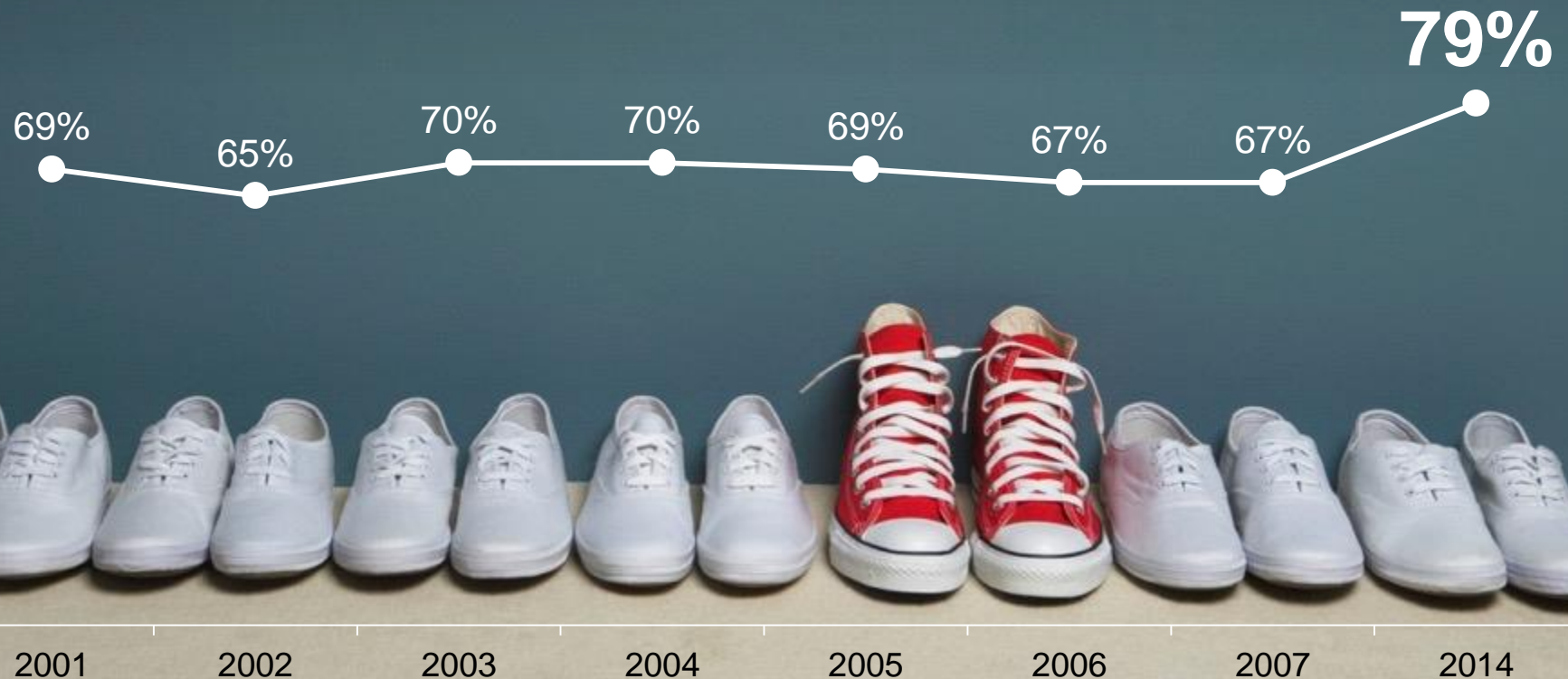


2

The blending of personal identity

The triumph of individualism

Everybody should be free to do their own thing



The evolving American identity

From this



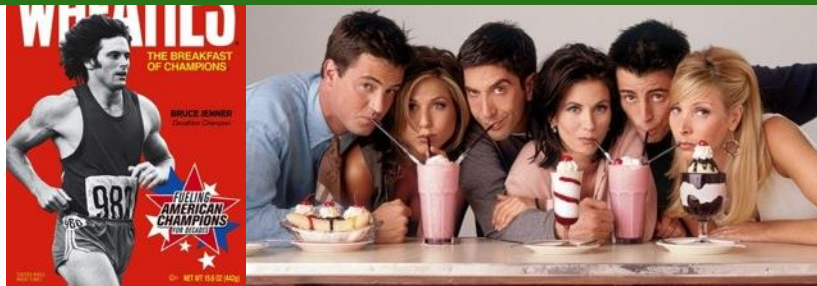
To this



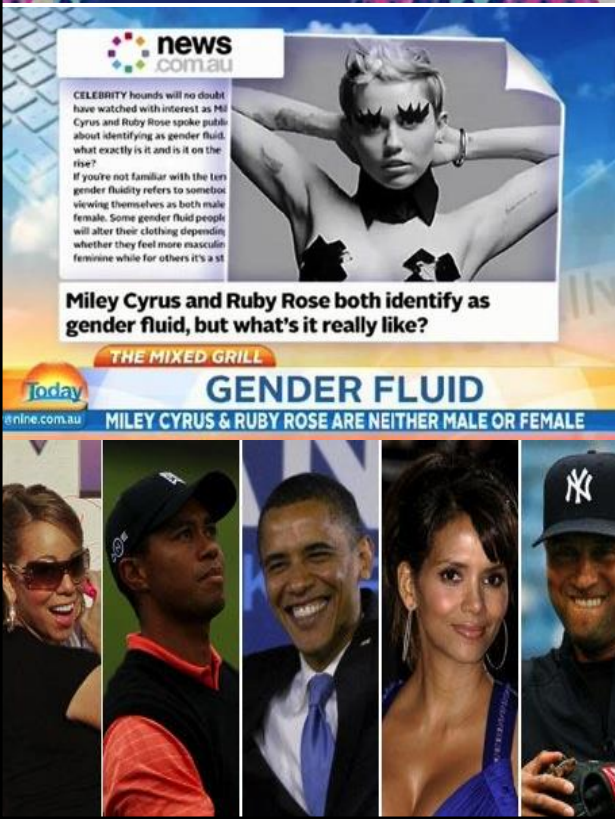
“

Our standard demographic categories are falling apart.

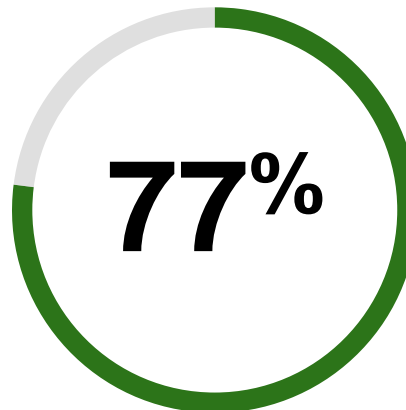
William H Frey
Brookings Institution



Gender and ethnic identities in flux

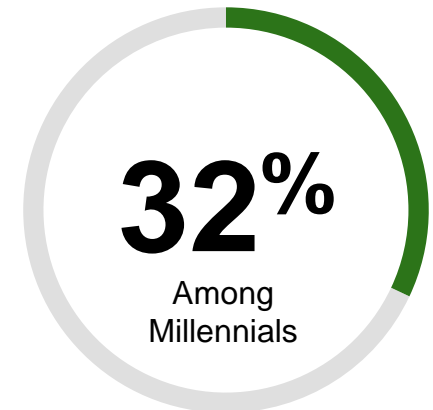


Agender



I don't let traditional gender roles define how I live my life

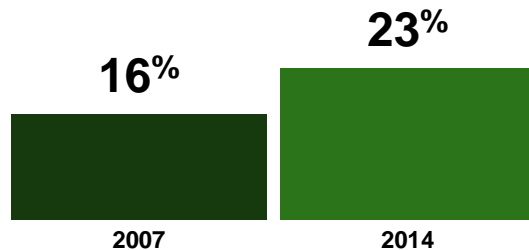
Pan-ethnic



Strongly affiliate with a cultural community outside of own race/ethnicity

It's not just gender and ethnicity

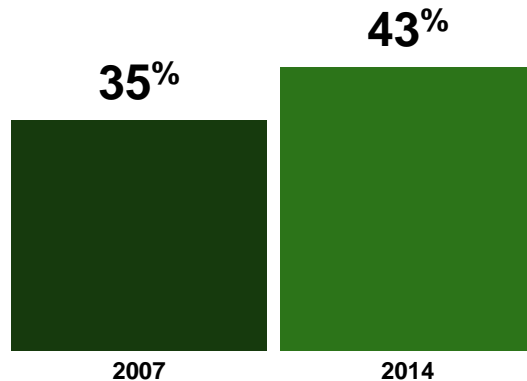
Religion



“Religious nones” (atheist, agnostic or “nothing in particular”)

Pew Research Center

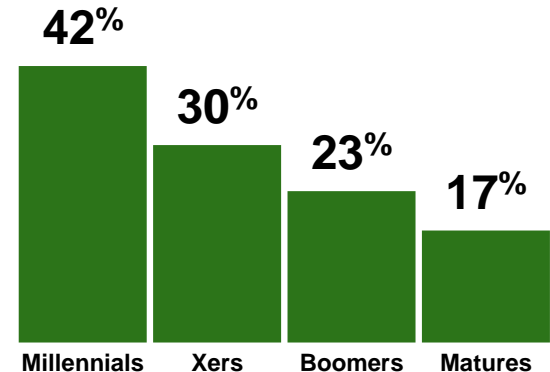
Politics



Classify as a political independent (an all-time high)

Gallup

Globalism



I consider myself a citizen of the world (vs. a citizen of the U.S.)

Fluidity goes beyond identity

How we eat...



Consumers who eat three square meals a day

Technomic

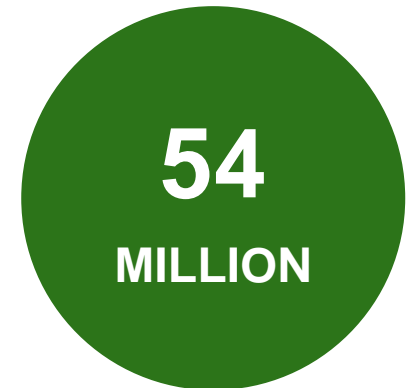
How we dress...

“

The line is **continuously blurring** between athletic wear and what every day casual clothing has become. This customer has **replaced jeans with athleisure.**

Lauren Hobart, senior vice president, Dick's Sporting Goods

How we work...



freelancers

Fast Company

Enabling uniqueness



#DefyLabels





3

Values-driven
consumption

Authenticity: A Core Component of Craft Beer

Transparency



I appreciate it when companies make it clear what values they stand for

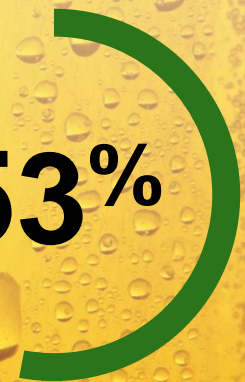
Courage



More companies should take a stand on important social issues

79% for weekly craft drinkers

Advocacy



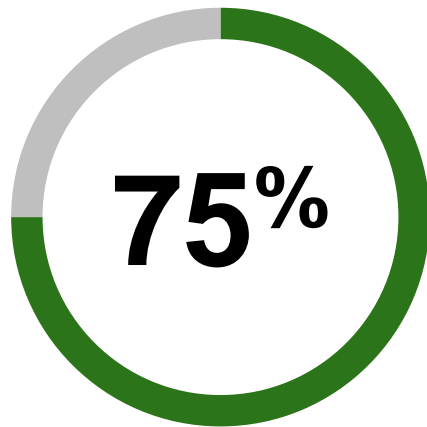
I wish more companies and brands would stand up for the gay community



**The
courage
to close
on Black
Friday**

Seeking easy ways of leading more values-driven lives

Investing in community



81% for weekly craft drinkers

Companies that make sincere efforts to be part of or invest in my community deserve my loyalty

PEOPLE **USING**
BUSINESS
..... AS A
FORCE **FOR** **GOOD**



THE CONSUMER CONTEXT

TOM's Virtual Giving Trip



Seeking easy ways of leading more values-driven lives

INVESTING IN *THE ENVIRONMENT*

I wish brands and businesses would make it easier for me to live an environmentally conscious lifestyle

**Total Population
21+**

Weekly Beer Drinkers

**Weekly
Craft Beer Drinkers**

70%

76%

83%



EAT THE INVADERS

FIGHTING INVASIVE SPECIES, ONE BITE AT A TIME



Most or all of your values are a perfect match with this place.



Some of your values are shared with this place.



Some of your values are in conflict with this place.



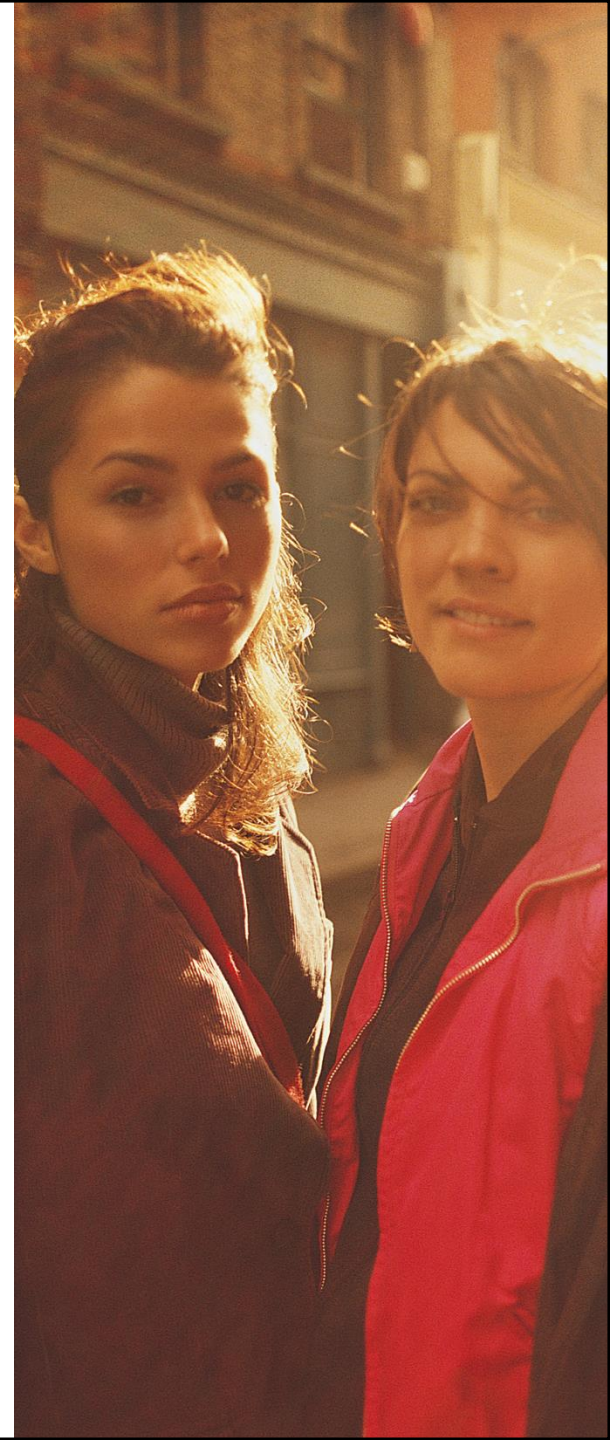
Run Forest, Run!
Most of your values do not align with this place.

A close-up photograph of a woman's arm and hand resting on a white-clothed table. On the table are several craft beer glasses and bottles. The background is blurred, showing other people and a social setting. The text "WOMEN & CRAFT BEER: BARRIERS AND OPPORTUNITIES" is overlaid in white, bold, sans-serif font.

WOMEN & CRAFT BEER: BARRIERS AND OPPORTUNITIES

Getting women to become craft beer drinkers isn't the problem; getting women to drink any kind of beer is the problem

	Men	Women
% of adults who drink <i>beer</i> weekly	37%	12%
% of beer drinkers who drink <i>craft beer</i> weekly	46%	44%
% of weekly craft drinkers who drink <i>craft multiple times</i> per week	54%	44%



If more women enter the beer drinking world through craft beer, it's more than likely they'll already be wine drinkers

WOMEN

	All 21+	Weekly Beer Drinkers
Beer	21%	100%
Craft Beer	9%	44%
Wine	27%	53%
Liquor	16%	37%



Women who drink wine represent an opportunity for craft beer

We'll compare the attitudes and values of:

- Women who drink craft beer weekly
- Women who drink wine weekly

Differing attitudes and values may reflect potential barriers

Similar attitudes and values may reflect opportunities

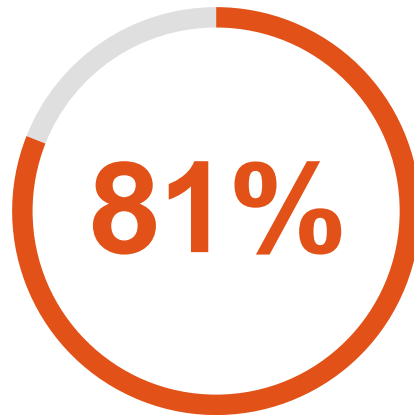
Is there evidence that current and potential drinkers don't see craft beer as inviting to women?

Does it take a more confident woman to drink craft beer?

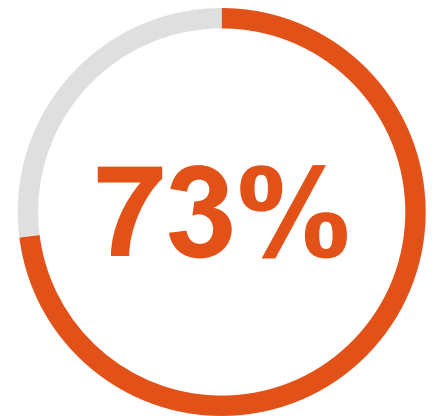
Characteristics important
to the way others see you:

**Someone who
has a strong
sense of self-
esteem**

WOMEN



Weekly Craft Beer Drinkers

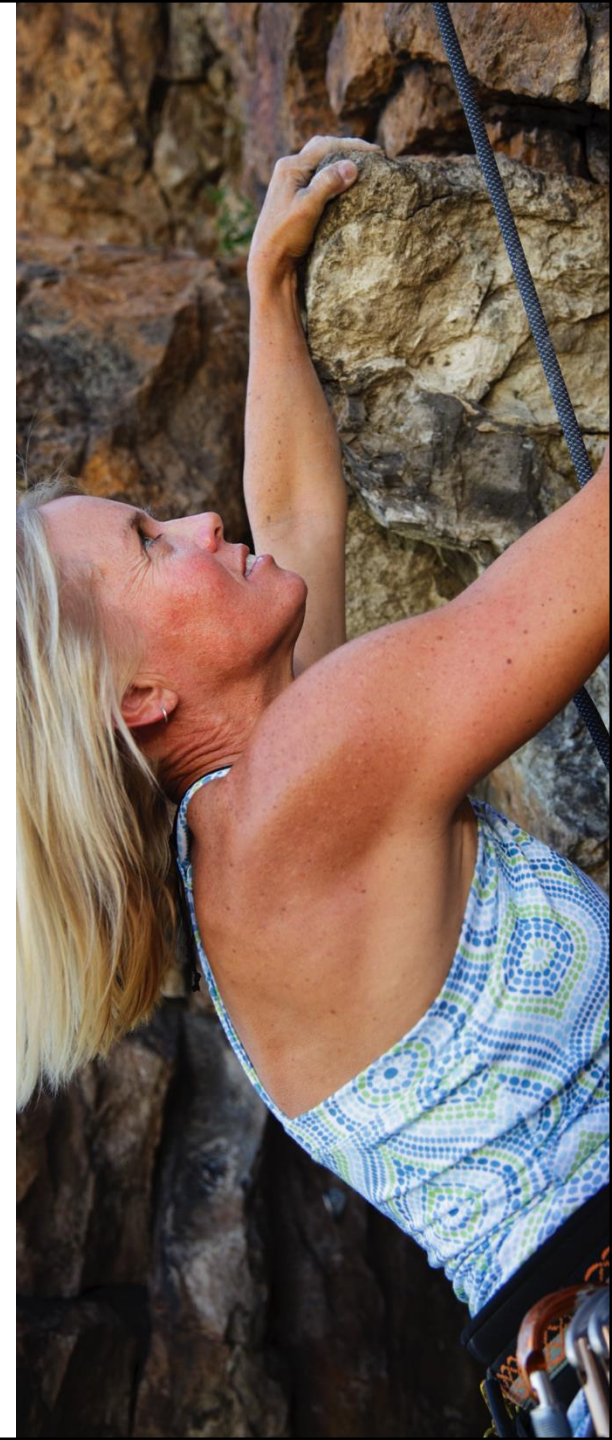


Weekly Wine Drinkers

Yet even these confident craft drinkers are more likely to feel treated as an afterthought, more likely to be held back by expectations

WOMEN

	Weekly Craft Beer Drinkers	Weekly Wine Drinkers
I am frustrated by brands that treat people like me like an afterthought	72%	51%
I don't feel held back by social expectations about what is or is not appropriate for someone of my sex or gender	78%	83%



Both groups are likely to feel women aren't portrayed realistically in advertising in general

WOMEN

Weekly Craft
Beer
Drinkers

Weekly
Wine
Drinkers

The way women are portrayed in advertising is completely out of touch with how women are today

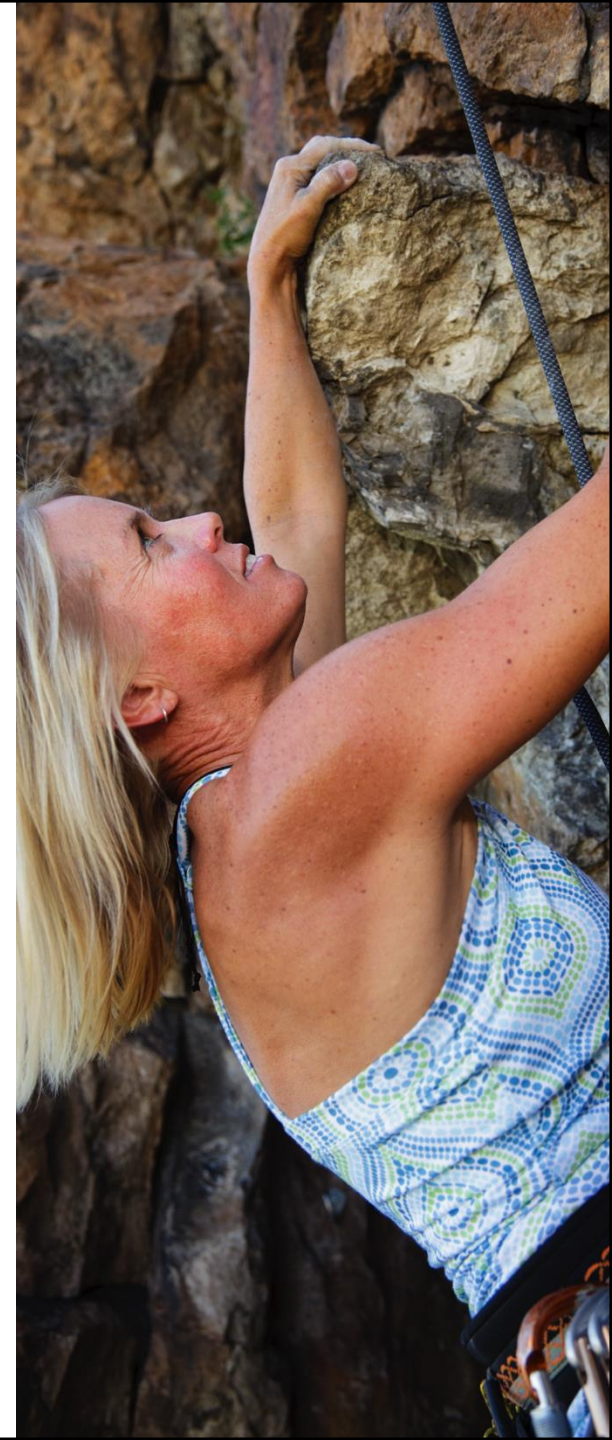
81%

77%

The way men are portrayed in advertising is completely out of touch with how men are today

77%

69%



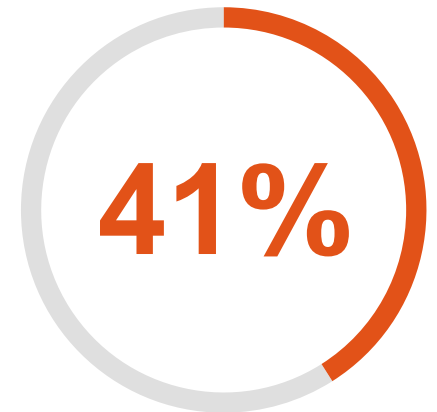
Is a perception of “inappropriate” marketing a barrier?

I am often entertained by marketing and advertising that others might find inappropriate

WOMEN



Weekly Craft Beer Drinkers



Weekly Wine Drinkers

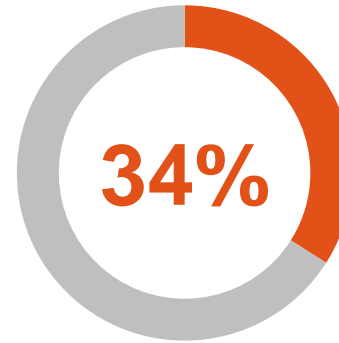


**Are there more
significant barriers to
drawing in potential new
drinkers?**

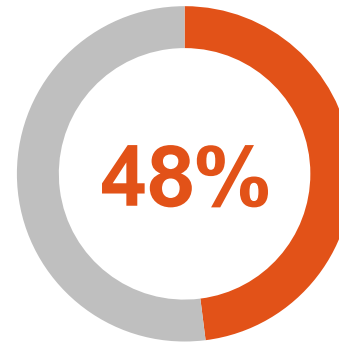
We know that beer, including craft beer, has deep-rooted values of community and acceptance

And yet, when it comes to craft beer, it may not always look that way to someone on the outside looking in

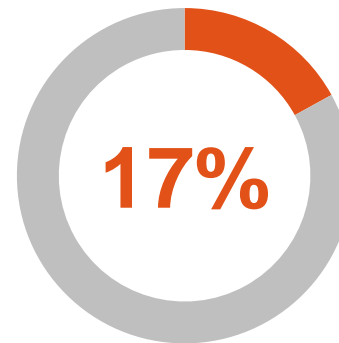
If one-third of drinkers see some snobbery in craft beer, how must it look to those outside the category?



Even though I love craft beer, I have to admit there can be quite a bit of snobbery to it



People who think craft beer is about snobbery just don't get it



Not sure

And any association with snobbery will be far more alienating to women than to men

Men

- Hierarchical
- Superiority
- Exclusivity
- Uniqueness

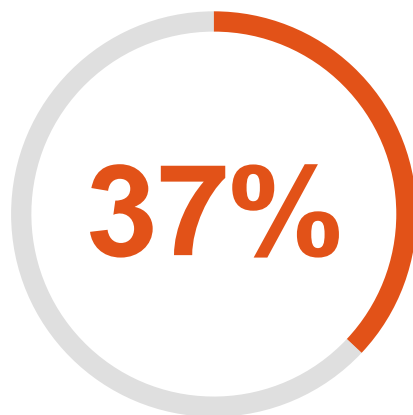
Women

- Egalitarian
- Equality
- Inclusivity
- Commonalities

The MONITOR data supports this for women in general

I like to buy brands that show others I'm successful

ADULTS



Men

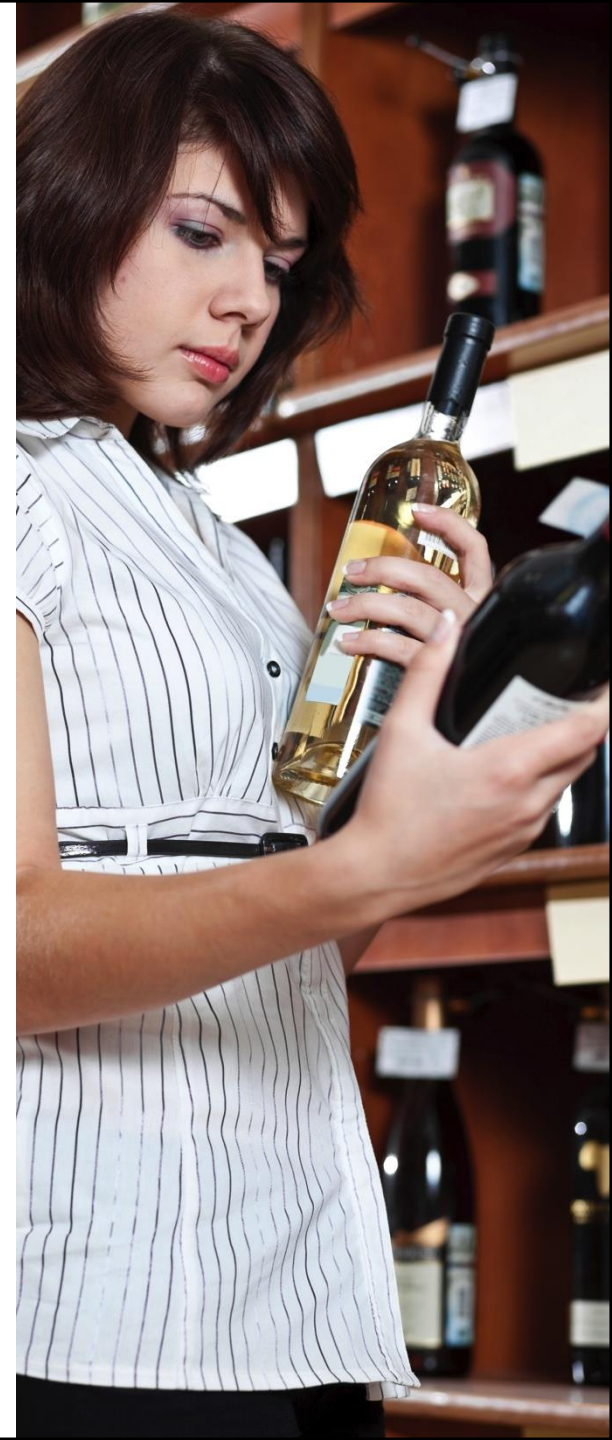


Women

Yet women who drink craft beer enjoy projecting success, while potential drinkers generally don't

WOMEN

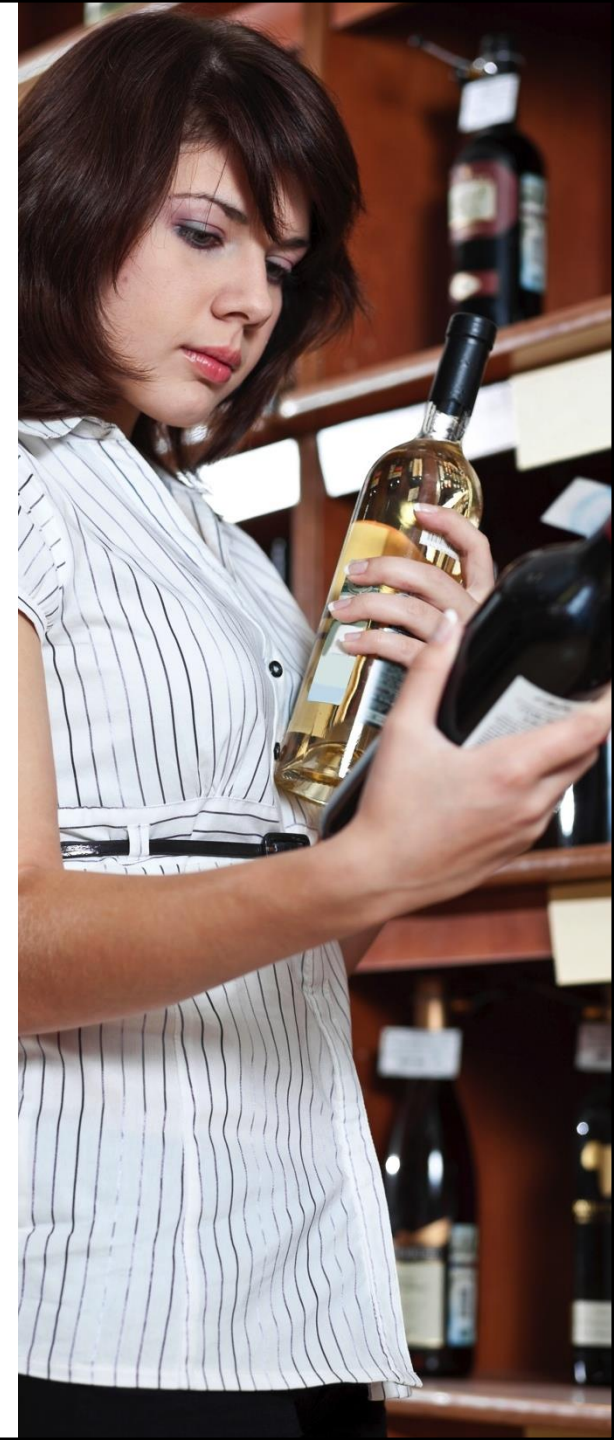
	Weekly Craft Beer Drinkers	Weekly Wine Drinkers
The brands you buy tell a lot about the type of person you are	70%	55%
I like to buy brands that show others I'm successful	60%	39%



Potential drinkers are much more likely to be risk-averse

WOMEN

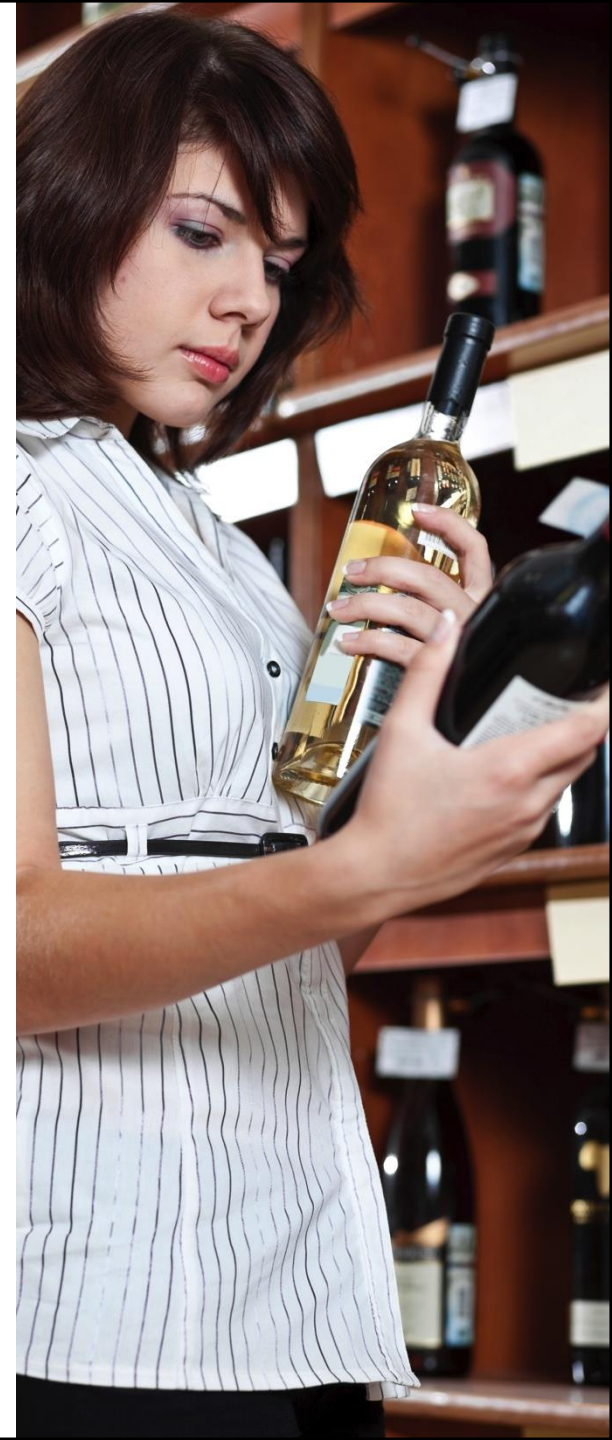
	Weekly Craft Beer Drinkers	Weekly Wine Drinkers
Characteristics important to the way others see you		
<i>Someone who takes chances in life</i>	70%	49%
<i>I am happy to take some risks for the chance to enjoy greater rewards</i>	74%	56%



Potential drinkers are less likely to see themselves as unconventional, and they don't show the same level of pride in their "b.s. detectors"

WOMEN

	Weekly Craft Beer Drinkers	Weekly Wine Drinkers
Characteristics important to the way others see you		
<i>Someone who's willing to defy convention</i>	66%	49%
<i>Someone who can always see through exaggeration and hype</i>	73%	64%



What messages will resonate with potential new drinkers?



There's a real opportunity in emphasizing a community feeling

WOMEN

Weekly Craft
Beer
Drinkers

Weekly
Wine
Drinkers

**Consider to be a sign of
success and
accomplishment**

76%

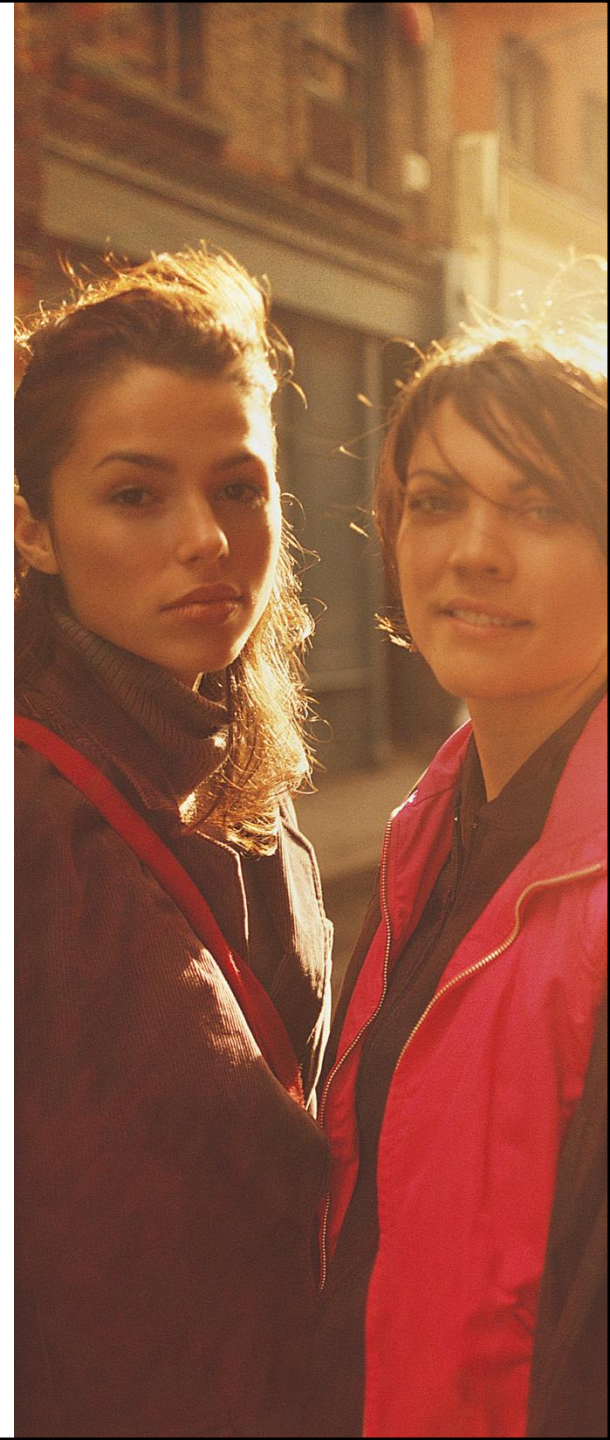
72%

*Feeling connected to your
community*

*Companies that make sincere
efforts to be part of or invest
in my community deserve my
loyalty*

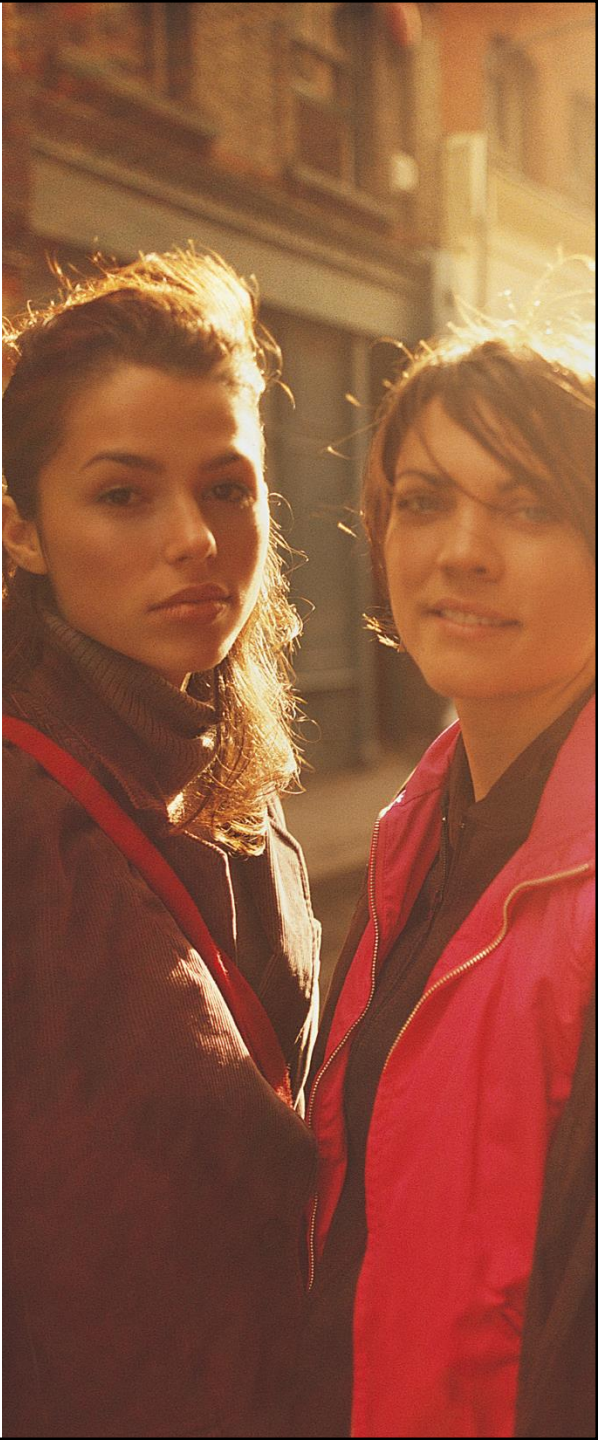
83%

82%



Your sustainability efforts should be shared

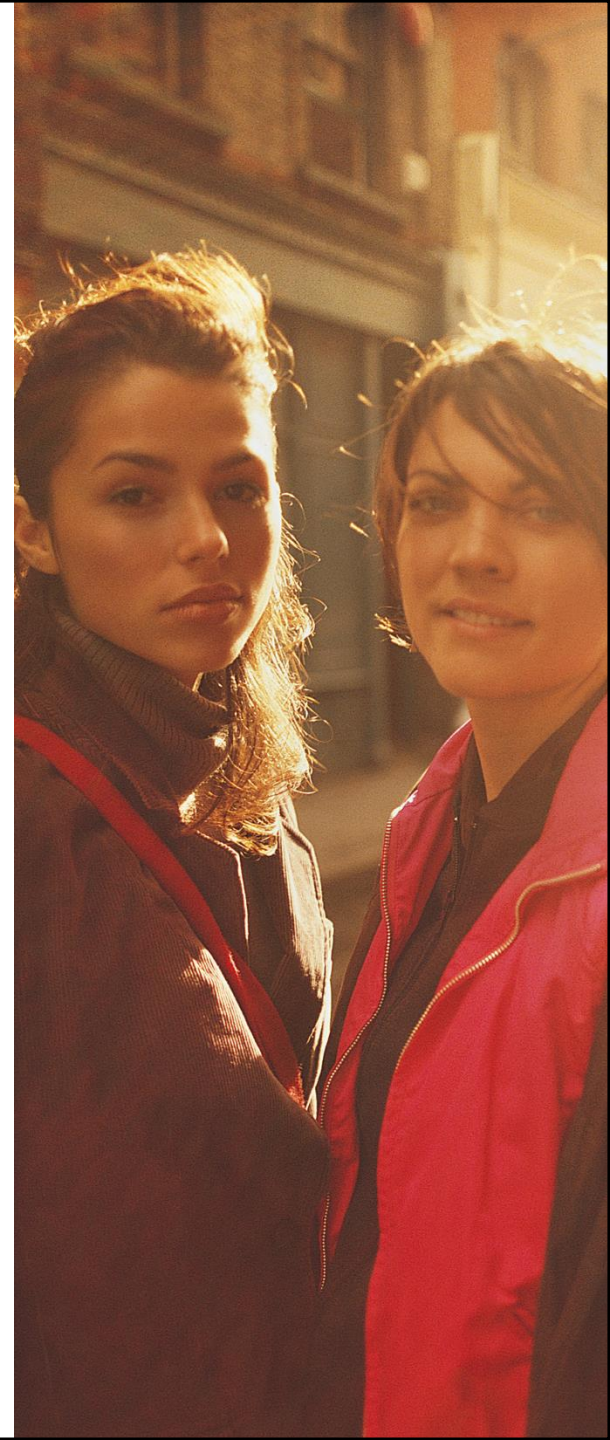
WOMEN		
	Weekly Craft Beer Drinkers	Weekly Wine Drinkers
Most brands today are not doing enough to help the environment	78%	74%
I wish brands and businesses would make it easier for me to live an environmentally conscious lifestyle	87%	78%



The independent, local angle is less compelling to potential drinkers

WOMEN

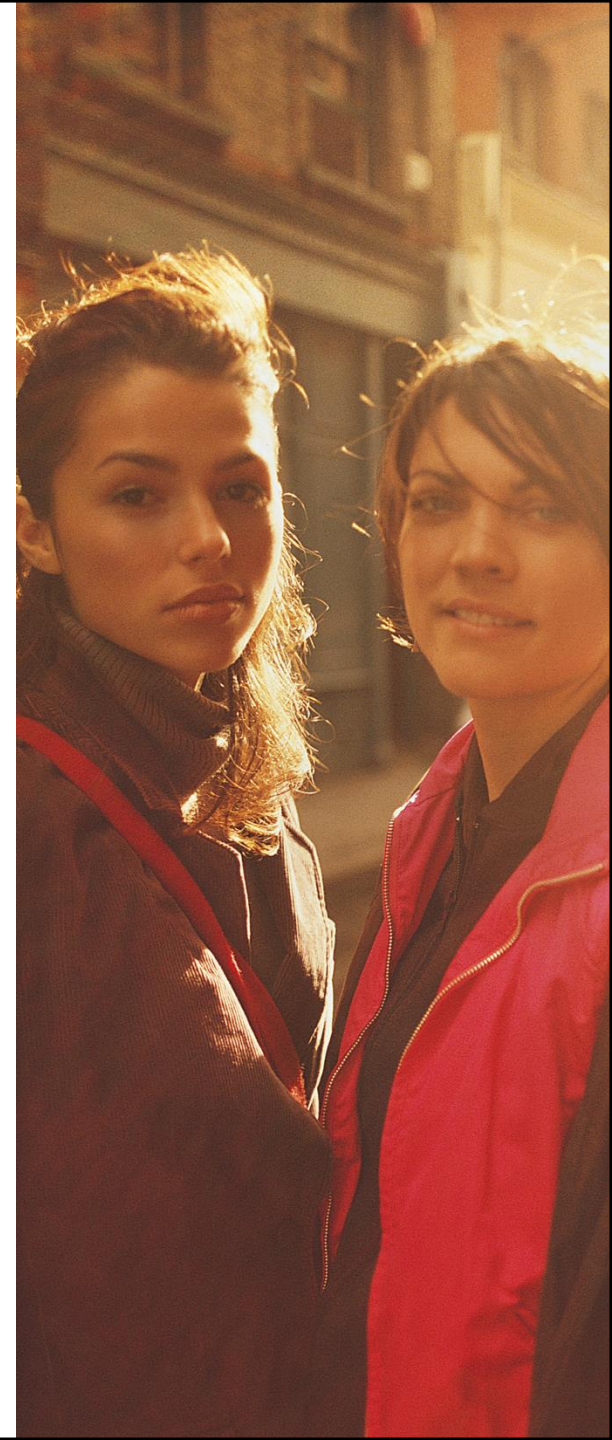
	Weekly Craft Beer Drinkers	Weekly Wine Drinkers
I look for goods produced in my state or nearby states	77%	59%
I try to buy things from smaller local companies instead of large national companies as much as possible	70%	59%




Social media may require some re-thinking to attract potential drinkers

WOMEN

	Weekly Craft Beer Drinkers	Weekly Wine Drinkers
I have bought something due to a friend or connection posting about it on social media websites	70%	46%
I have bought something due to a brand or business posting about it on social media websites	66%	42%



- 
- A photograph of three young women with long hair, all wearing sunglasses and smiling. They are gathered around a smartphone, with one woman pointing at the screen. The image is overlaid with a semi-transparent brown rectangle containing text.
- There's some indirect evidence that women may feel excluded by the current craft culture
 - But there are bigger barriers not overtly gender-related
 - Social media aren't used for brand decisions as much

Summary: Women

A group of diverse people, including men and women of various ethnicities, are gathered around a rustic wooden table outdoors. They are all smiling and raising their glasses of craft beer in a toast. The table is set with white plates, silverware, and several bottles of beer. In the background, there are wooden pillars and a blurred view of a park or outdoor area with trees and hills under a clear sky. The overall atmosphere is warm and social.

HISPANICS & CRAFT BEER

BARRIERS AND OPPORTUNITIES

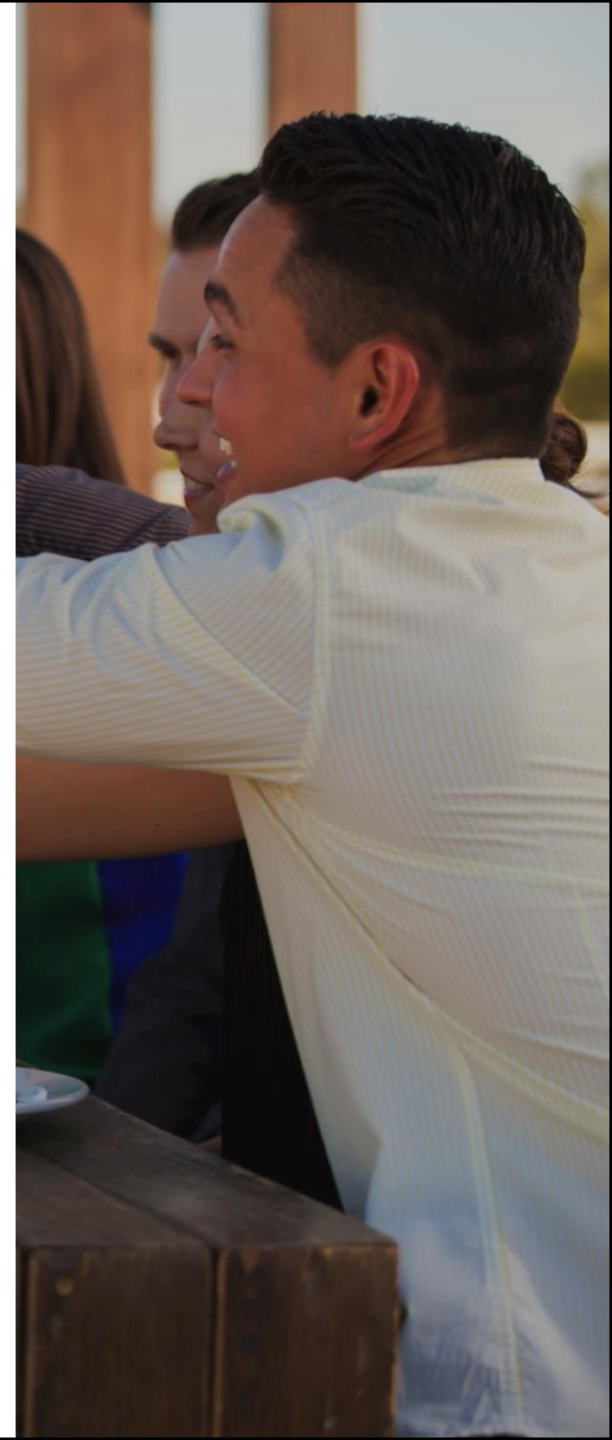
A lot of evidence points to a cultural shift among Hispanics, away from “conforming to fit in” to seeking individuality and growth

	WEEKLY BEER DRINKERS	
	White, Non-Hispanic	Hispanic
Importance of the following things in your personal life today		
<i>Freeing yourself from the expectations of others</i>	54%	66%
<i>Striving to reach your full potential as a person</i>	67%	77%
<i>Following your dreams</i>	64%	80%



It's generally well-known that Hispanics are more likely than the general population to choose imported beer

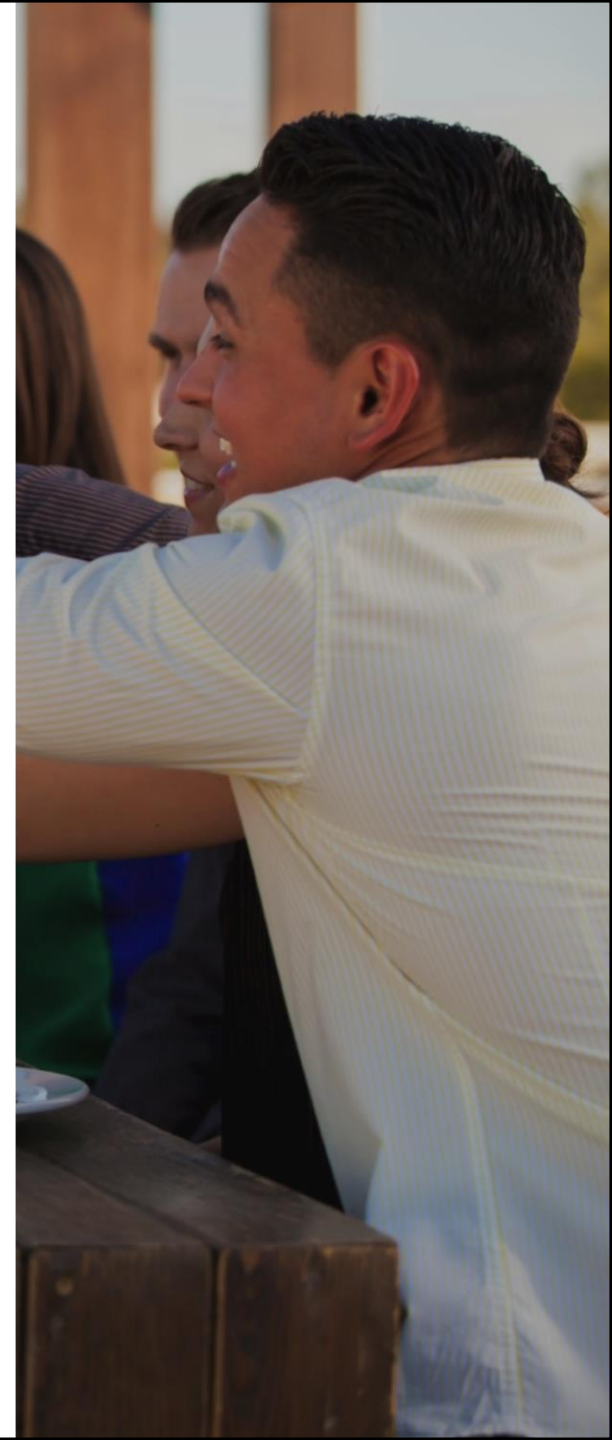
	WEEKLY BEER DRINKERS	
	ALL (21+)	Hispanics
<u>Drink weekly</u>		
<i>Domestic Mainstream Beer</i>	78%	77%
<i>Imported Beer</i>	47%	68%
<i>Craft Beer</i>	46%	48%
<i>White Wine</i>	29%	36%
<i>Red Wine</i>	38%	41%
<i>Liquor</i>	44%	49%



Craft drinkers choose imports often, but import drinkers don't always reciprocate

HISPANICS

	Weekly Craft Beer Drinkers	Weekly Import Drinkers
<u>Drink weekly</u>		
<i>Domestic Mainstream Beer</i>	45%	35%
<i>Imported Beer</i>	48%	47%
<i>Craft Beer</i>	50%	31%
<i>White Wine</i>	36%	27%
<i>Red Wine</i>	34%	27%
<i>Liquor</i>	25%	27%



Hispanic import drinkers may represent the best opportunity for craft

We'll compare the attitudes and values of:

- Hispanics who drink craft beer weekly
- Hispanics who drink imports weekly, but don't drink craft weekly

Differing attitudes and values may reflect potential barriers

Similar attitudes and values may reflect opportunities

Hispanic import drinkers share the trend toward valuing individualism and growth

	HISPANICS	
	Weekly Craft Beer Drinkers	Weekly Import Drinkers, Non-craft
Importance of the following things in your personal life today		
<i>Freeing yourself from the expectations of others</i>	68%	65%
<i>Striving to reach your full potential as a person</i>	77%	83%
<i>Following your dreams</i>	79%	78%



How do the two groups differ in their relationship with their heritage?

Craft drinkers are generally more in touch with their American side

	HISPANICS	
	Weekly Craft Beer Drinkers	Weekly Import Drinkers, Non-craft
I consider myself to be American first, Hispanic second	46%	23%
I often follow the customs and traditions of US American people rather than the customs and traditions of Hispanics	81%	62%
Speak Spanish "Very Well"	73%	77%



Import drinkers feel less need to fit in by presenting themselves as more “American”

HISPANICS		
	Weekly Craft Beer Drinkers	Weekly Import Drinkers, Non-craft
Have you ever felt the need to change your name or the pronunciation of your name in order to blend in?	27%	16%
I am often in situations where I feel I need to suppress how I express my Hispanic identity	59%	38%



As a result, import drinkers feel less need to think about how being Hispanic affects them

	HISPANICS	
	Weekly Craft Beer Drinkers	Weekly Import Drinkers, Non-craft
I think a lot about how being Hispanic affects me	67%	44%
How connected you feel you are with your heritage	70%	70%
I wish I had more ways to show the world how proud I am of my culture and heritage	79%	77%



Import drinkers have somewhat less of a desire to be addressed as Hispanics

HISPANICS

	Weekly Craft Beer Drinkers	Weekly Import Drinkers, Non-craft
I believe there should be more commercials directed specifically to Hispanic audiences	90%	77%
I believe there should be more products made specifically for Hispanic audiences	83%	71%



Yet more import drinkers feel it's important to preserve specific aspects of Hispanic culture

HISPANICS

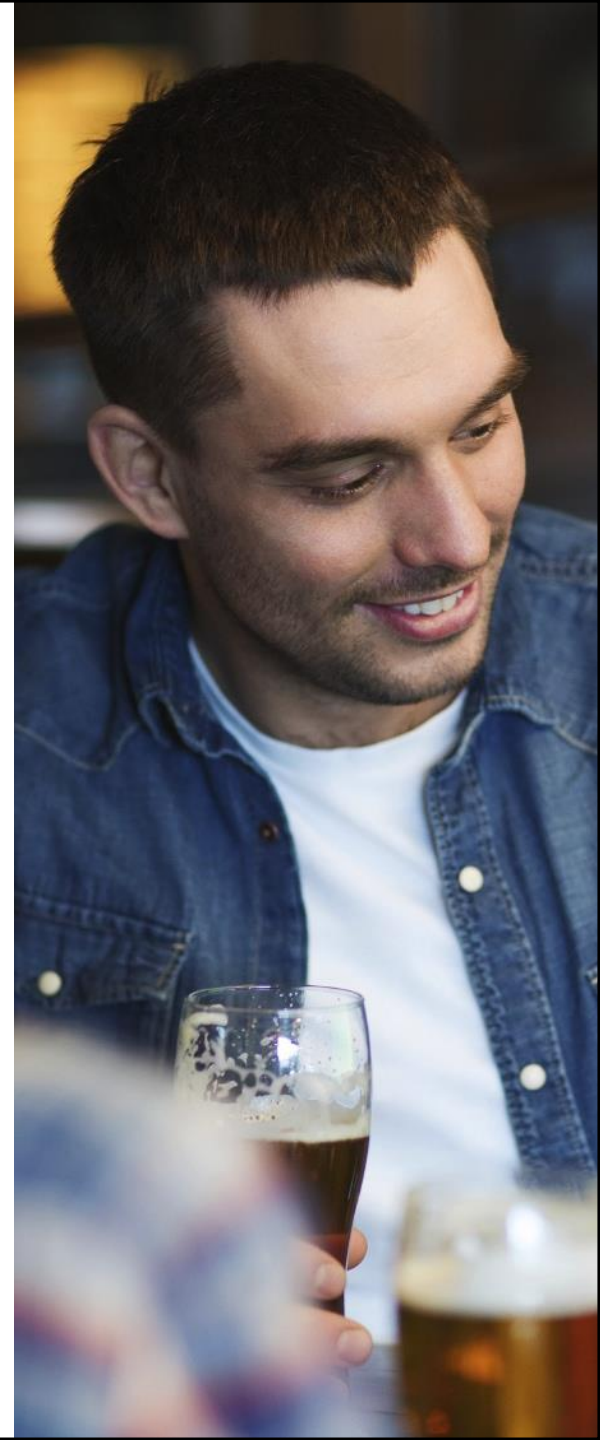
	Weekly Craft Beer Drinkers	Weekly Import Drinkers, Non-craft
Aspects of your culture and traditions that you feel are most important to preserve		
<i>Foods/beverages</i>	57%	64%
<i>Recipes</i>	39%	60%
<i>Holidays/celebrations/rituals</i>	41%	59%
<i>Music/songs</i>	52%	64%
<i>History</i>	58%	72%

**What are the barriers to converting
more Hispanic drinkers?**

Import drinkers are somewhat less open to risk than craft drinkers

HISPANICS

	Weekly Craft Beer Drinkers	Weekly Import Drinkers, Non-craft
Characteristics important to the way others see you		
<i>Someone who takes chances in life</i>	82%	73%
<i>I am happy to take some risks for the chance to enjoy greater rewards</i>	82%	66%



Import drinkers are somewhat less unconventional as well

	HISPANICS	
	Weekly Craft Beer Drinkers	Weekly Import Drinkers, Non-craft
Characteristics important to the way others see you		
Someone who's willing to defy convention	73%	61%
Someone who can always see through exaggeration and hype	80%	74%

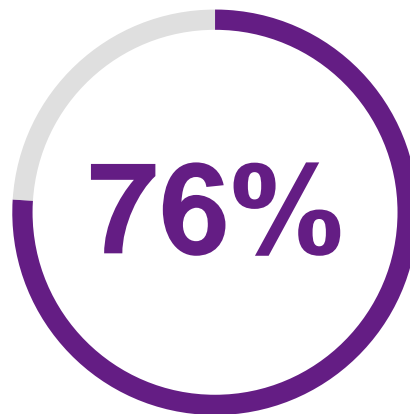


Import drinkers are far less interested in new experiences per se

Importance of the following things in your personal life today

Satisfying your hunger for new experiences

HISPANICS



Weekly Craft Beer Drinkers



Weekly Import Drinkers,
Non-craft

**How else do the two groups
compare?**



Connection to community is even more important to import drinkers, and they're more likely to reward brands that share this

HISPANICS

	Weekly Craft Beer Drinkers	Weekly Import Drinkers, Non-craft
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Consider to be a sign of success and accomplishment		
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<i>Feeling connected to your community</i>		
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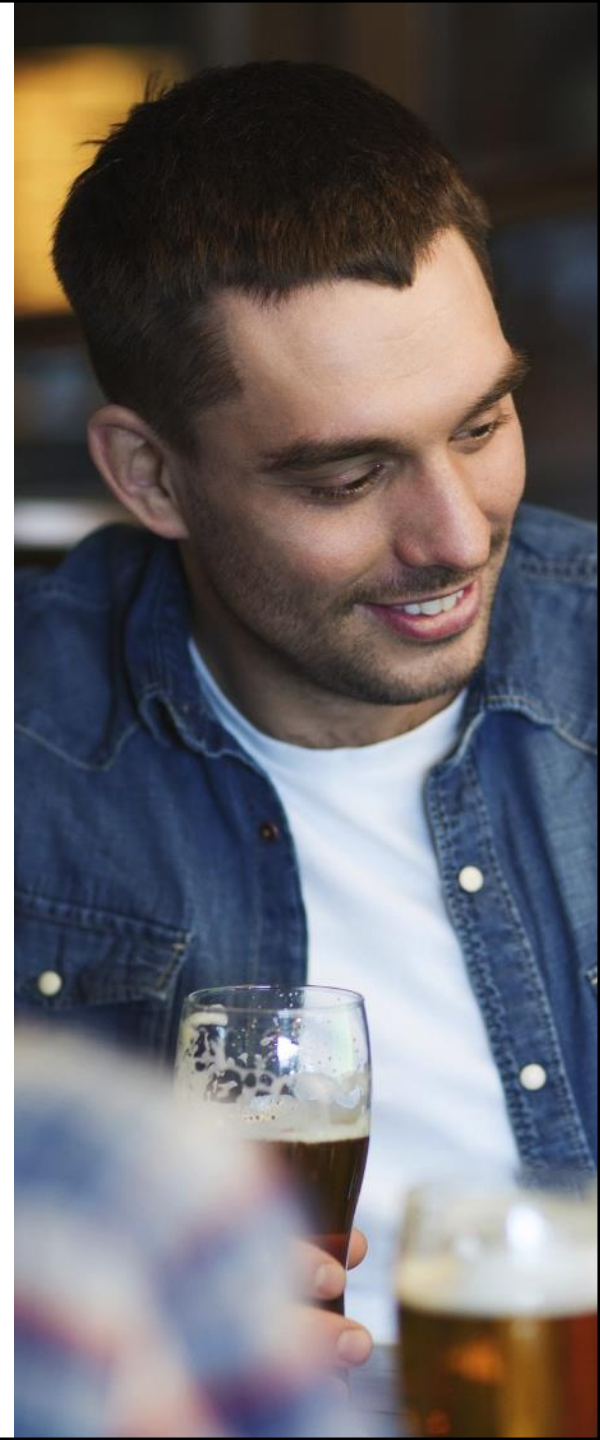
78%

77%

<i>Companies that make sincere efforts to be part of or invest in my community deserve my loyalty</i>		
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46%

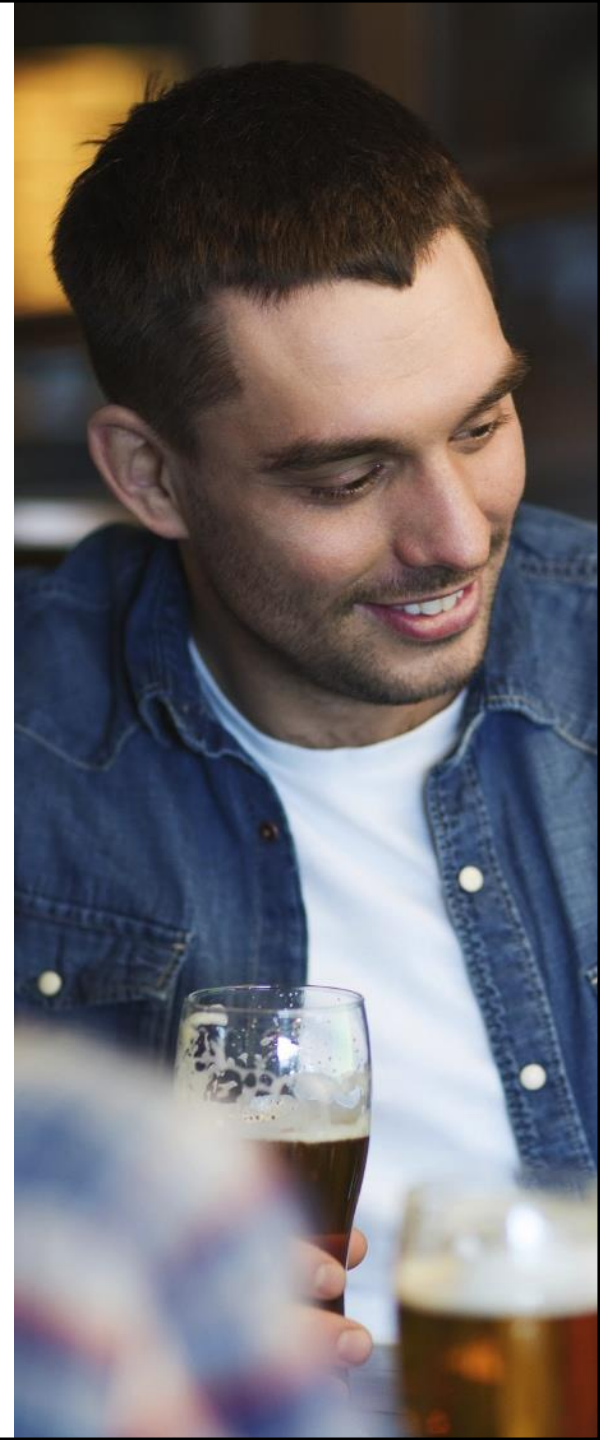
48%



The environment is still a pretty high priority among import drinkers

HISPANICS

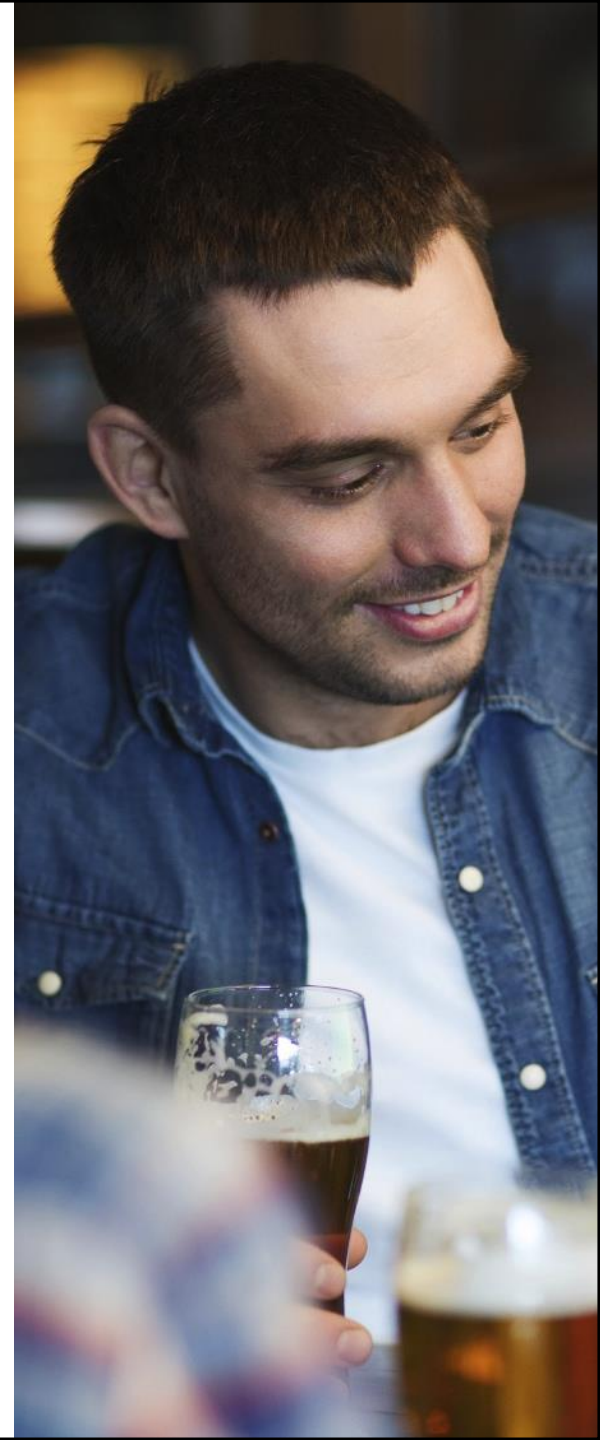
	Weekly Craft Beer Drinkers	Weekly Import Drinkers, Non-craft
Most brands today are not doing enough to help the environment	84%	77%
I wish brands and businesses would make it easier for me to live an environmentally conscious lifestyle	91%	88%



The local angle is less compelling

HISPANICS

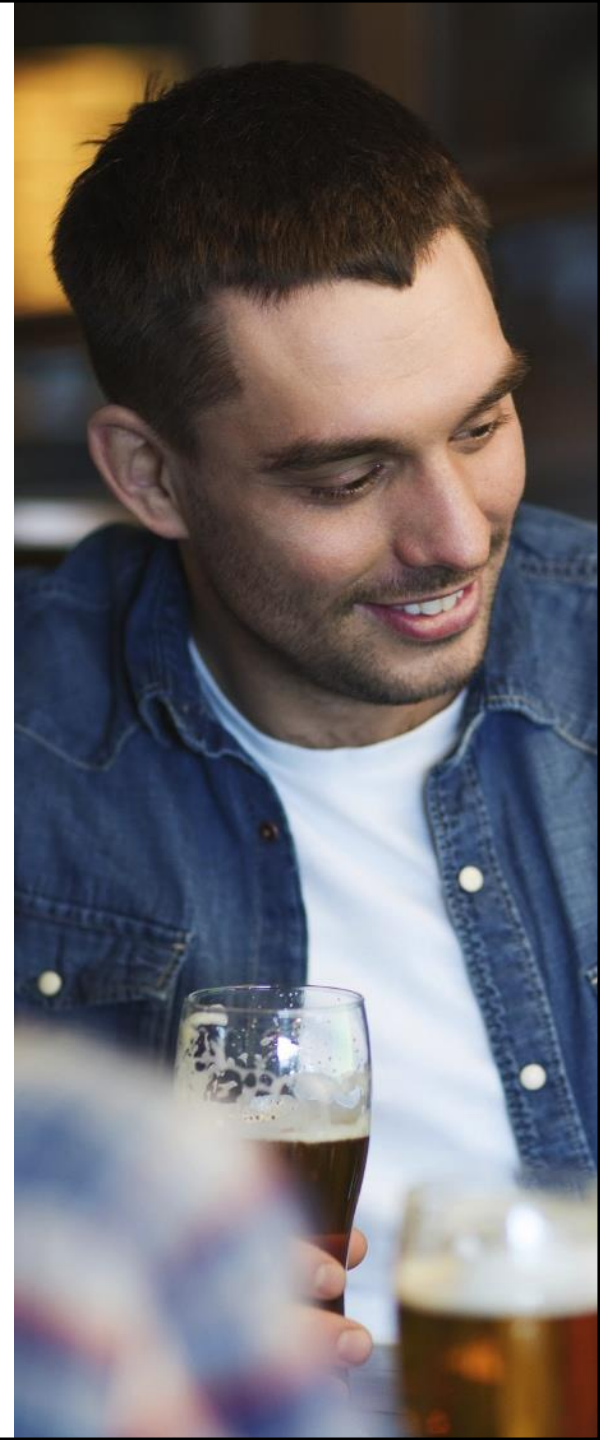
	Weekly Craft Beer Drinkers	Weekly Import Drinkers, Non-craft
I look for goods produced in my state or nearby states	79%	61%
I try to buy things from smaller local companies instead of large national companies as much as possible	72%	57%



Both feel brands say something about them, though import drinkers are somewhat less interested in demonstrating success

HISPANICS

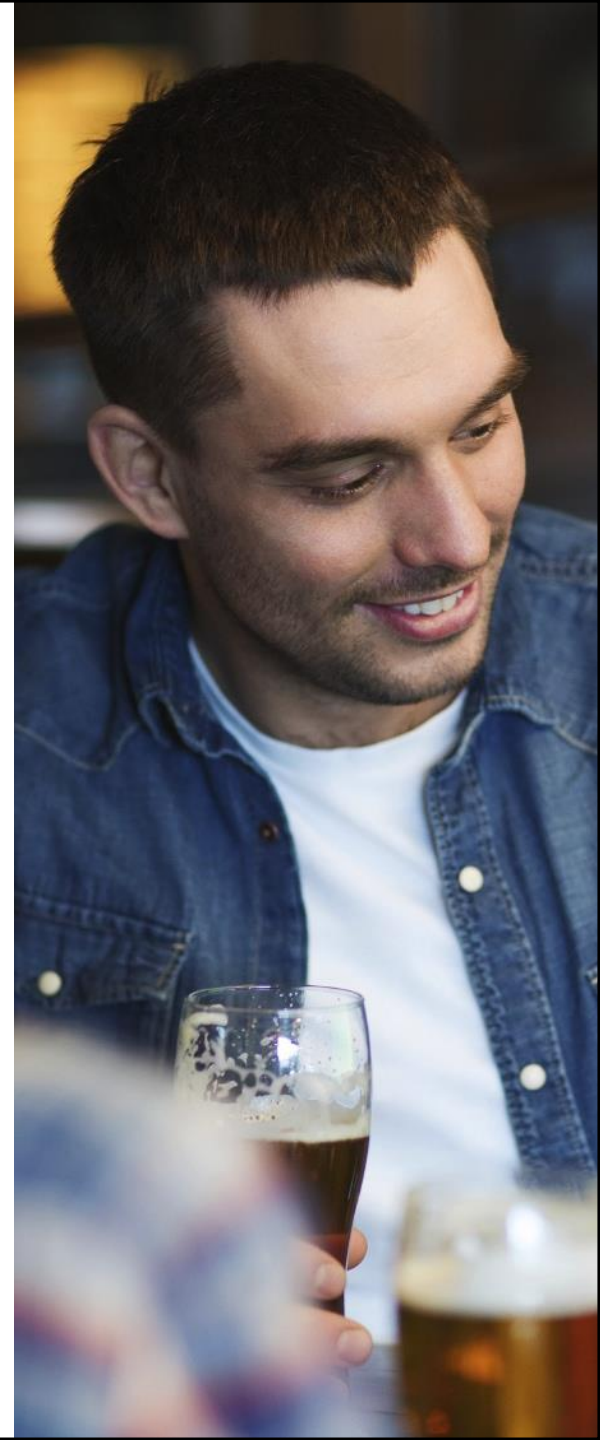
	Weekly Craft Beer Drinkers	Weekly Import Drinkers, Non-craft
The brands you buy tell a lot about the type of person you are	77%	71%
I like to buy brands that show others I'm successful	77%	65%

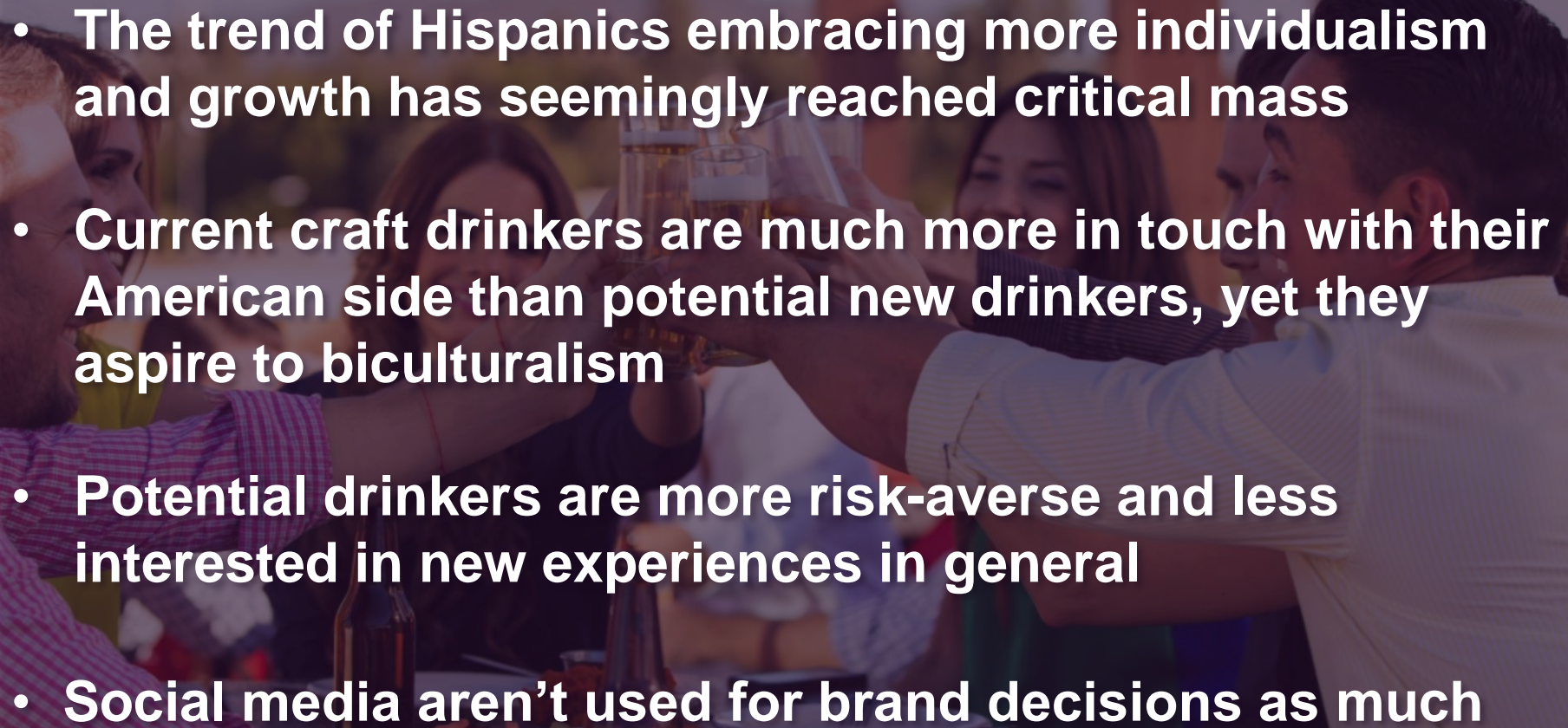


Import drinkers are far less likely to use social media for brand decisions

HISPANICS

	Weekly Craft Beer Drinkers	Weekly Import Drinkers, Non-craft
I have bought something due to a friend or connection posting about it on social media websites	73%	49%
I have bought something due to a brand or business posting about it on social media websites	74%	60%



- 
- A group of people are gathered around a wooden table outdoors, likely at a restaurant or bar. They are all smiling and raising their glasses of beer in a toast. The scene is set during the day with natural light. The background is slightly blurred, showing more of the outdoor setting. The overall mood is social and celebratory.
- The trend of Hispanics embracing more individualism and growth has seemingly reached critical mass
 - Current craft drinkers are much more in touch with their American side than potential new drinkers, yet they aspire to biculturalism
 - Potential drinkers are more risk-averse and less interested in new experiences in general
 - Social media aren't used for brand decisions as much

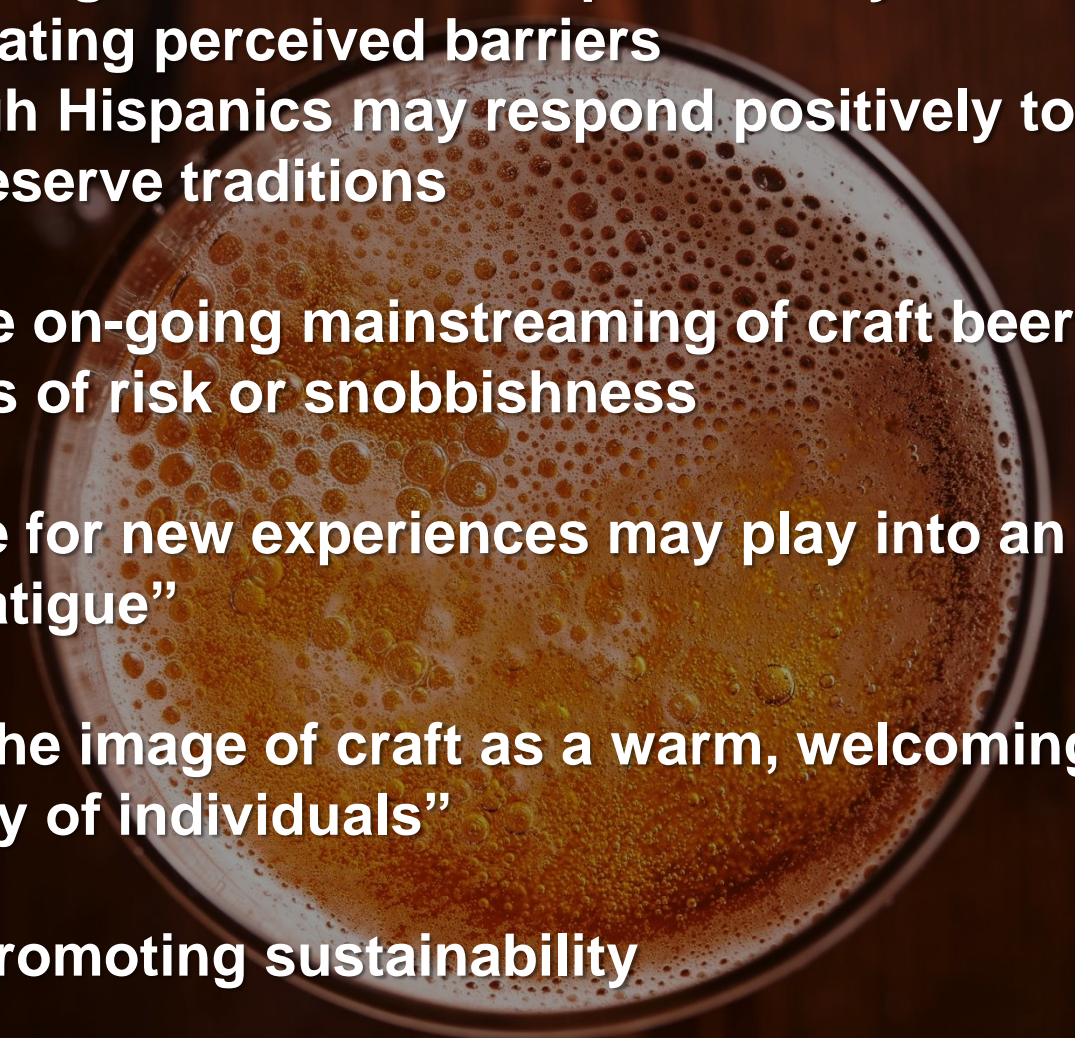
Summary: Hispanics



Summary and Thought-Starters

- **Energy has returned to the marketplace, but consumers are looking for enticement to engage with brands**
- **Identity is more fluid and flexible than ever before and consequently, values have become a more critical means for consumers to connect with brands**



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- **Overt targeting of women or Hispanics may be less effective than eliminating perceived barriers**
 - **Although Hispanics may respond positively to events that help preserve traditions**
 - **Support the on-going mainstreaming of craft beer to reduce perceptions of risk or snobbishness**
 - **Less desire for new experiences may play into an antidote for “flagship fatigue”**
 - **Reinforce the image of craft as a warm, welcoming “community of individuals”**
 - **Continue promoting sustainability**
 - **In-store marketing may have wider reach than social media among potential new drinkers**

Thank you!



T R O P O S

STRATEGIC BRANDING AND INSIGHTS

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