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Topic: Budweiser

History

What started as a failing brewery owned by German-immigrant Ebert Anheuser would later become the first national beer brand in the United States, thanks to son-in-law and business partner Adolphus Busch. Their entrepreneurial spirits lead to the development of pasteurization and the production of refrigerated train cars that would allow them to sell their product beyond the local market. As a result, Adolphus and Ebert successfully began the Anheuser-Busch company and became the first to sell beer by the millions of barrels. A first for any brewery, their product would become available across the country for all to enjoy (Squires, 2012).

Budweiser is a brand founded on the basis of enjoyment. While the majority of brewers in the United States were German immigrants who brewed heavy and strong beers that appealed more to those who were accustomed to consuming beer as a replacement for bread, as German peasants once did, Budweiser was created solely for easy drinkability and enjoyment. Although Adolphus along with some of his taste testers couldn't stand the taste of their new creation, Budweiser served the demand of those looking for an easy-to-drink beverage that was something other than whiskey, cider or wine (Mitenbuler, 2013).

Although Budweiser was the first of its kind in the United States, light lagers and pilsners were fairly common in parts of Europe. Upon traveling to Austria for the Vienna Exposition (the world's largest fair) Adolphus stumbled upon light beer varieties from a region known today as the Czech Republic. The beer that was of particular interest to him was from the city of Budweis,

that carried the slogan “The Beer of Kings.” Adolphus recognized the demand for this light and easy-to-drink style of beer in the United States and immediately began producing his own version which would be known as Budweiser, “The King of Beers” (Mitenbuler, 2013).

For a period of time, Budweiser was the king of many things including, shelf life, mass production, and well-planned marketing strategies. They were the first of their time to market the brewery as a destination spot for visitors and the first to send out a fleet of salesmen equipped with promotions and giveaways (“For the Love of,” 2016). This all, of course, lasted until the constitutional ban on alcohol that would last from 1920 to 1933.

What should have been the end of Budweiser by this time was just another step forward. The company prevailed through its sale of non-alcoholic beer and brewing ingredients such as yeast. During this time, many of Budweiser’s competitors diminished and by the time prohibition was over Budweiser remained on top of the beer industry (Squires, 2012).

Today Budweiser is made with all of the same ingredients and principles in mind. Anheuser-Busch was passed along several generations until it was bought by InBev in 2008 (Merced, 2008). Despite its consistent quality, rich history, and deeply rooted origin, today’s beer industry is seeing a major shift in preference for small local brewers crafting the heavy and strong beers from the past. As people’s taste changed Budweiser was confronted with consumers who are more concerned with quality and flavorful ingredients than past generations, the local craft-beer trend has caused great concern among mass-beer producers whose marketing is primarily focused on lifestyle and funny super-bowl commercials (Schultz, 2014).

Product Service and Attributes

Budweiser is a quintessential American beer that can be purchased just about anywhere in the United States where alcohol is sold. It's no surprise that the brand's colors and logo have remained virtually unchanged over the years — red, white and blue with a cursive-style font that is reminiscent of the American Declaration of Independence.

A staple among many bars and restaurants, Budweiser is extremely common in liquor and grocery stores where it can be found in various sizes of bottles and cans. Despite its declining growth, it has maintained an affordable price point and has been among the country's most popular beer brands since the beginning of mass-beer production.

Since its popularity emerged, there have been several varieties of Budweiser sold including the leading Bud Light which began as Budweiser Light, as well as several other versions of the drink that tote the name Budweiser which include: Budweiser Select, Budweiser Reserve Copper Lager, Budweiser Select 55, and Budweiser Chelada.

Points of Parity

Though Budweiser positions itself as The King of Beers, they do share a lot in common with their core competitors, those being Coors, Miller, Corona, Heineken, Carlsberg, Fosters, and Stella Artois. Examples of the Points of Parity that the brands share includes, the ease of accessibility between the brands. Budweiser and its competitors are available for purchase at grocery stores, liquor stores, and at some warehouses such as Costco, and Sam's Club. Both Budweiser and its competitors are available to be purchased in small or large quantities, and is perceived as a staple beer positioned to be consumed during certain times of life or for different

occasions. They are widely distributed, and they have loyal customers (Prezi, 2014). They also use social media to appeal to their customer base.

Points of Difference/Differences in Taste

When it comes to beers there are a number of differences that make brands stand out from one another. The initial points of difference with Budweiser deal with the positioning of the brand. Budweiser is set to be the beer you drink when you want to relax, the beer you reach for after work, or the beer your Dad would hand you when you came over to talk. Heineken along with Stella Artois is positioned to be a more distinguished, premium beer with an international presence. Corona positions itself as being the beer you would grab when you are on the beach or vacation. Around 64% of Budweiser drinkers are men, Corona is seen as a brand that is gender equal and dominates in the younger space (Kelly, 2013). When it comes to advertising Budweiser focuses more on sports while Miller focuses primarily on social situations.

Pricing and distribution strategy

There is a uniqueness to the distribution of alcohol that requires a three-tier system. Essentially, all alcohol must pass through a middle man, meaning that beer producers are not allowed to sell directly to bars, supermarkets, or grocery stores (How the three tiered, 2016). Budweiser's parent company Anheuser-Busch owns 27 brewing facilities, 12 in the United States, 14 in China, and one in Canada, according to the Anheuser-Busch website.. The domestic distribution channels are managed by Anheuser-Busch, and the overseas distribution is managed by Anheuser-Busch International. The strategic placement of these breweries allows for smooth distribution of the product through Supermarkets, E-Tailers, and E-Commerce websites.

Pricing for Budweiser is competitive and among the average pricing for its category. In a 2008 article entitled Price competition in Brewery, they were said to be the price leader (Rojas, 2008). The pricing can vary based on store location and quantity of beer being purchased. The average price for a 6 pack of Budweiser is 7 USD, while a 12 pack is 13 USD, and a 24 pack is averaging 20 USD. This is in line with the price of direct competitors, but much less expensive than the craft beer that is growing in popularity. Unlike craft beer, Budweiser and other mass-produced beers are available in much larger packages.

Integrated Marketing Communication Strategy

America's most popular beer brand has found its ways on billboards, sponsorships, social media and television commercials around the world. Although Budweiser is hard-set in its traditions, this is not so when it comes to their marketing strategy. The brand is actively and consistently marketing through traditional and non-traditional new media as a means to stay relevant and tap into the millennial market.

It appears the current TV ads are designed to both engage and ridicule the craft-beer drinker, creating a potentially harmful dissonance due to the varying messages. The campaign that began in 2015 shined a negative light on the craft-beer industry by communicating via a multi-channel advertising campaign that craft beer is soft and fruity.

Budweiser's ability to stay relevant throughout the years and defend itself against competition can be attributed to their consistently large marketing budget of over \$1.5 billion according to Red Books, which has allowed them to sponsor major sporting events, sports leagues, musical artists and place highly-anticipated Super Bowl commercials year after year. Their most recent Super Bowl spot cost them up to \$50 million for up to six seconds of air in an

effort to capture the craft and Mexican beer markets (Budweiser spends, 2019). Budweiser furthers its reach through over-the-top media services and YouTube, where it receives millions of additional views.

In addition to their advertising spending, Budweiser spent \$350 million in 2016 alone on sponsorships, allowing for a remarkably strong presence in order to create brand awareness all over the globe (Badenhausen, 2018). They have been the official beer of the World Cup since 1986, a sponsor of the US Olympics teams from 1984-2017 and their sister brand Bud-Light is the official beer of nearly every NFL team (Schultz, 2017).

More recently, Budweiser has taken an interest in the music industry where it spent \$1.54 billion in 2017 sponsoring music events and venues. One of the more popular events was developed through a partnership with hip-hop artist Jay-Z to launch the widely-popular Made in America Festival. They also launched the Budweiser Country Club, which is a physical barn-like structure that tours to all of the major country music festivals to give music go-ers a fun and memorable experience of playing corn-hole, hanging out with the brewmasters' while enjoying a beer (Hodak, 2016). Budweiser also hosts a widely popular online concert series of emerging artists on their YouTube channel. Experiences such as these help reinforce positive brand feelings and create positive brand associations.

Sponsorship and advertising through various new and traditional media allow Budweiser to remain the King of Beers by maintaining its relevance to the public but more importantly by integrating with international sports leagues and world-famous artists they have positioned themselves as leaders in the global market. While they have been largely successful at positioning themselves globally by owning many major sponsorship spots, they continue to

struggle to tap into younger audiences who prefer craft and imported beers over a mass-produced domestic beer. While Budweiser still remains one of America's best-selling beers, there has been an overall decrease in growth for Budweiser and competitors alike (Chaudhuri, 2018).

Recruitment of Participants

The survey was distributed online to 20 participants. Facebook and word of mouth was used to recruit the participants. The survey was distributed to individuals who live in Michigan, Florida, and Illinois. Participants were both male and female, with at least 60% of them having no children and 40% having one or two children. All of the participants took the survey voluntarily. None of the participants were paid for their participation or responses. See tables below for a more in-depth analysis.

Discuss each element of CBBE

The long history of the company and the exorbitant amount it spends on advertising makes this brand a hard one to miss. Although our survey takers were all aware of the brand, it was not top of mind for any of them. When asked the first thing that came to mind when thinking of beer, many other beer brands were mentioned, most of which are considered craft beer.

Many of the survey takers also preferred craft-beer to Budweiser or similar brands. It is possible that the first thing that came to mind for these survey takers was the brand of beer they enjoy the most. When it came to considering the most important factor when choosing a beer taste was ranked number one. Although Budweiser has successfully categorized itself as a beer in the minds of every American, it may not be in the category of good-tasting beers. In order to

create more depth to add to the breadth of brand awareness, Budweiser needs to appear as a good-tasting beer in order for it to be top of mind to consumers.

In terms of **performance**, Budweiser does not appear to go above and beyond satisfying consumer needs, but neither is it trying to do so. They pride themselves in being a rugged and traditional beer brewed “the hard way.” They deliver a very polished and basic product to consumers who value tradition, heritage, and simplicity. Eighty percent of our survey takers were mostly neutral or dissatisfied when it came to the overall performance of the brand and would not recommend it to a friend. Since most of the respondents prefer craft beer and were not impressed with Budweiser, it may be reasonable for Budweiser to consider raising its standards across the board in order to increase overall brand performance.

If Budweiser were to raise the bar in terms of overall quality of their product, this could change the way consumers view the brand moving forward; however, there were some common themes when it came to questions about brand imagery. In our survey, the words “cheap,” yuck” and college “party” appeared in 50% of responses when participants were asked what words came to mind when thinking of Budweiser. It’s not surprising since Budweiser is priced fairly inexpensive especially considering the survey respondents mostly prefer craft beer which is typically more expensive.

Although this may sound like a negative, based on our responses, Budweiser achieved their goal of being a widely popular inexpensive beer that college students purchase regardless of whether they actually enjoy the taste. Although our survey indicated that many participants did not have Budweiser top of mind, this may have something to do with the sample being highly education. It is possible that highly-educated individuals are less likely to drink a beer that is less

complex or considered a college beer. One example of a blatant college-student-focused marketing strategy was in 2009 when they created custom beer cans for 26 Universities around the country (Olivares, 2009). Given this information, it's safe to say that the brand personality and brand image are fairly consistent. The biggest challenge now is how Budweiser is going to continue to market itself in this way while it tries to capture the craft-beer market.

When it comes to **the brand feelings** surrounding Budweiser, the brand has positioned itself in the minds of consumers as the beer you can use for a “feel-good” time. This is the beer that consumers believe their father may pass off to them after a hard day of work, or that they would enjoy on the porch with their grandfather. Consumers from the survey mentioned that when they thought of Budweiser, they felt comfortable, or nostalgic, which are the feelings that the “Great-American Lager” seek to elicit. They could improve their brand feelings by going back to older advertising to gain back their target market. They could also use more partnerships that coincide with their brand message.

Budweiser is looking at **a loss of resonance** with its consumers according to a *Business Insider* article. In the 1990's the beer buying audience no longer felt connected to the brand or its slogan “This Bud's for You” that drew in the everyday customer they were looking to target (Russell, 2012). The brand also tried a re-branding by re-naming the beer “America” to draw consumers back in, but this just caused more confusion among the customer base and left individuals working to decide whether or not the beer would be changing ingredients and taste along with the labeling. There is a core group customer that Budweiser attracts, but the loyalty is not there, and that is one area of improvement they could start with. Loyalty with Budweiser has diminished because they have a strong substance in their brand story, but are losing in the

product category. They could improve on the brand resonance side with using more ads such as the Super Bowl ad based on their immigration story to connect with more with their consumers.

Budweiser is seen as a very credible brand as it has been around since 1876, and consumers trust that because at one time they were a market leader and were able to stand the test of time. The quality of the brand suffers among consumers as more than 20% are not satisfied with taste, alcohol content or ingredients. This is no longer one of the first brands that come to mind when consumers purchase beer, and so consideration has been lost among the customer base as well. It is also no longer seen as a unique beverage, but now as somewhat vintage. With this being said, brand judgments for Budweiser are mixed. There is not a negative picture painted in the minds of consumers, however, the beer is no longer top of mind either.

Primary Mistake

While the craft-beer industry is seeing an all-time high in terms of popularity, sales and job growth, Budweiser and competitors alike are seeing a decline. Currently, it appears Anheuser-Busch is having difficulty positioning itself to younger audiences without giving in to the craft-beer trend. As a result, they have taken on an intriguing strategy that appears to both engage and ridicule the craft-beer drinker, creating a potentially harmful dissonance due to the varying messages.

The campaign that began in 2015 shined a negative light on the craft-beer industry by communicating via a multi-channel advertising campaign that craft beer is soft and fruity. Budweiser, on the other hand, is “brewed the hard way” and is “not for everyone.” The most apparent reason for this tactic was to develop a stronger connection with its most loyal consumers. Lines in the commercials such as, “Let them sip their pumpkin peach ale. We’ll be

brewing us some golden suds,” are perhaps intended to embarrass some craft-beer drinkers for acting like snobs (Morris, 2015).

At the same time, they’ve ensured their ads contained points of differences that mimicked those of the craft beer industry such as a unique brewing process using beechwood, the people behind the beer, and the process of making Budweiser. They also recently released Budweiser Copper Lager, a beer aged in Jim Beam barrels that shares many of the same qualities of a craft-beer and is intentionally marketed on social media to target younger beer drinkers. This may leave you wondering if Budweiser has indeed backed down and joined the trend, or if it’s a test to see if consumers will forget about the jabs they took at craft-beer in their previous campaign.

Demographics

Gender

Male	15%	3
Female	80%	16
Other	0%	0
Prefer Not to Answer	5%	1

Age

18-24	5%	1
25-34	40%	8
35-44	35%	7

55-64	20%	4
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Marital Status

Single	50	10
Married	40%	8
Divorced	5%	1
Widowed	5%	1

Employment Status

Full-Time	70%	14
Part-Time	15%	3
Unemployed	15%	3

Education Level

Some College	15%	3
Bachelor's Degree	60%	12
Advanced Degree (MS, PhD)	25%	5

Race

White	85%	17
American Indian or Alaska Native	5%	1
Asian	5%	1
Prefer Not to Answer	5%	1

Survey Question and Answers.

Saliience:

Q1 - When thinking of beer, what brand comes to mind?

Latitude 42
Summertime and a cold drink after yardwork.

Corona
Bells (8)
Michelob ultralight
New Holland
Bud lite
Lindermans
Soo brew (local brewery)
Miller Lite
New Belgium
Lakefront Brewery (Milwaukee)
Founders

Q2 - How much do you know about beer?

#	Answer	%	Count
1	I know everything	0.00%	0
2	A lot	10.00%	2
3	A moderate amount	35.00%	7
4	A little	35.00%	7
5	None at all	20.00%	4
	Total	100%	20

Q3 - Which beer sounds best to you?

#	Answer	%	Count
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1	Craft beer	65.00%	13
2	The one I'm fermenting	5.00%	1
3	Big name beers (Budweiser, Coors, Miller, PBR)	5.00%	1
4	I don't like beer	25.00%	5
	Total	100%	20

Q8 - How likely are you to drink Budweiser in the following locations?

#	Question	Very unlikely		Somewhat unlikely		Neutral		Somewhat likely		Very likely		Total
1	Home	70.00%	14	10.00%	2	5.00%	1	10.00%	2	5.00%	1	20
2	Bar	75.00%	15	5.00%	1	0.00%	0	20.00%	4	0.00%	0	20
3	Restaurant (with food)	75.00%	15	5.00%	1	0.00%	0	20.00%	4	0.00%	0	20
4	Private gathering	45.00%	9	35.00%	7	0.00%	0	15.00%	3	5.00%	1	20

Q4 - How often do you drink beer?

#	Answer	%	Count
1	Every day	5.00%	1
2	A few times a week	5.00%	1
3	Once a week	5.00%	1

1	Price	10.00%	2	0.00%	0	50.00%	10	30.00%	6	10.00%	2	20
2	Taste	25.00%	5	20.00%	4	35.00%	7	15.00%	3	5.00%	1	20
3	Packaging	10.00%	2	0.00%	0	55.00%	11	25.00%	5	10.00%	2	20
4	Alcohol content	20.00%	4	10.00%	2	35.00%	7	35.00%	7	0.00%	0	20
5	Ingredients	10.00%	2	10.00%	2	65.00%	13	15.00%	3	0.00%	0	20

Q12 - Would you recommend Budweiser to a friend?

#	Answer	%	Count
1	Yes	20.00%	4
2	Maybe	20.00%	4
3	No	60.00%	12
	Total	100%	20

Imagery:

Q6 - When you think of Budweiser, what words come to mind?

Awful beer
Clydesdale horses, Super Bowl commercials, my late father-in-law's Budweiser stein collection.
Cheap beer
Yuck
Party, cheap beer, friends
Beer flavored. Water. Beer flavored water. Spud. Cheap. Sport venue. Parties. Piss.
American

Inexpensive
Draft Horses, foamy head
"That's not beer". Flavorless lager. Bland.
American, horses, dogs
Dad, garage, college parties, cheap, hoppy, motorcycles, cholos, house parties.
Cheap college beer, piss water
Standard classic no frills
College, pitchers, American, low price
Super Bowl commercial, scam on Miller Light
Bland, mass-produced
Cheap
cheap. Good for getting drunk. Commercials
The beer of Kings!

Q9 - Describe your most recent experience with Budweiser?

It was free on St Patrick's Day
Honestly, because I drink beer so infrequently, I can't recall the last time I had a Budweiser.
Drank it a friend's house party. Pretty simple and easy to drink beer. Doesn't have much flavor.
I don't drink it at all
Cant remember
I tried it. Set the bottle down. Pretended it wasn't mine.
Fourth of July
Neighbor works for Budweiser so it is easily accessible to me. But beer is never my first beverage choice.
None

Long ago and far away. Likely over 40 years ago!
I have not had Budweiser since college - so 21 years ago
San Diego Sea World in my 20's when Budweiser owned it and it was widely used throughout the park. Before that I would sneak a sip of beer before I brought it to my Dad when I was a kid.
I drank Bud Light while on vacation in Florida back in January. It is a good vacation beer that refreshed me
I only drink Budweiser at our local hole-in-the-wall burger joint. It's tradition to get a pitcher of Bud with our dinner.
The last time I drank it was probably early on in college (2003-04) in a bar because it was cheap or a special.
only if my brothers buy it
I think I had Budweiser that was fermented in whiskey barrels a few months ago
No recent experience
Stopped at a bar for a nightcap after a work event with my husband. Was looking for a simple and inexpensive option I didn't have to worry about not liking the flavor after ordering. Bud light is the same everywhere :)
Camping with 24oz by bonfire.

Judgements

Q13 – On a scale of 1-10, please rate how would you rate Anheuser-Busch's (the makers of Budweiser) level of beer expertise with 1 being the least amount of expertise and 10 being the most?

Answer	Percentage	Count
1	0%	0
2	0%	0
3	0%	0
4	0%	0
5	5%	1

6	5%	1
7	25%	5
8	20%	4
9	20%	4
10	25%	5

Q7 - When it comes to Budweiser, how accurate do you feel these words are at describing the brand? - Q11#1

#	Question	Inaccurate		Somewhat inaccurate		Neutral		Somewhat accurate		Very accurate		Total
1	High end	80.00%	16	10.00%	2	5.00%	1	5.00%	1	0.00%	0	20
2	Cheap	5.00%	1	0.00%	0	10.00%	2	40.00%	8	45.00%	9	20
3	Authentic	20.00%	4	10.00%	2	25.00%	5	25.00%	5	20.00%	4	20
4	Great taste	35.00%	7	15.00%	3	35.00%	7	10.00%	2	5.00%	1	20
5	Traditional	10.00%	2	0.00%	0	5.00%	1	50.00%	10	35.00%	7	20
6	Overrated	5.00%	1	20.00%	4	25.00%	5	25.00%	5	25.00%	5	20
7	Underrated	40.00%	8	15.00%	3	30.00%	6	15.00%	3	0.00%	0	20

Q10 - If you had to pick out a beer, please rank the following in order of most to least important in your decision making with 1 being the most important and 8 being the least.

#	Question	1	2	3	4	5	6	7	8	Total								
1	Price	10.0 0%	2	25.0 0%	5	20.0 0%	4	30.0 0%	6	5.00 %	1	0.00 %	0	5.00 %	1	5.00 %	1	20
2	Packaging	0.00 %	0	5.00 %	1	10.0 0%	2	30.0 0%	6	10.0 0%	2	10.0 0%	2	25.0 0%	5	10.0 0%	2	20
3	Familiarity	10.0 0%	2	25.0 0%	5	30.0 0%	6	5.00 %	1	15.0 0%	3	0.00 %	0	10.0 0%	2	5.00 %	1	20
4	Taste	60.0 0%	1	25.0 0%	5	0.00 %	0	5.00 %	1	5.00 %	1	5.00 %	1	0.00 %	0	0.00 %	0	20
5	Calorie content	0.00 %	0	5.00 %	1	10.0 0%	2	5.00 %	1	10.0 0%	2	15.0 0%	3	30.0 0%	6	25.0 0%	5	20
6	Perception from others	5.00 %	1	0.00 %	0	0.00 %	0	0.00 %	0	15.0 0%	3	25.0 0%	5	15.0 0%	3	40.0 0%	8	20
7	Craft vs non-craft	15.0 0%	3	15.0 0%	3	20.0 0%	4	10.0 0%	2	10.0 0%	2	15.0 0%	3	10.0 0%	2	5.00 %	1	20
8	Company reputation	0.00 %	0	0.00 %	0	10.0 0%	2	15.0 0%	3	30.0 0%	6	30.0 0%	6	5.00 %	1	10.0 0%	2	20

Feelings

Q16 - When you think of Budweiser how do you feel?

#	Answer	%	Count
1	Nostalgic, Happy, Cheerful, Pleased	30.00%	6
2	Content, Fulfilled, Gratified, Comfortable	45.00%	9
3	Pensive, Low-Spirited, Dismayed, Agitated	25.00%	5

		Total	100%	20
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Q17 - If Budweiser was no longer available after today how would you feel?

#	Answer	%	Count
1	Pleased	10.00%	2
2	Neutral	90.00%	18
3	Unpleased	0.00%	0
	Total	100%	20

Resonance:

Q14 - What is your level attachment to Budweiser?

#	Answer	%	Count
1	4=I must have it available at all times	0.00%	0
2	3=It is special to me but I don't always have to have it	0.00%	0
3	2=I don't love or hate it	25.00%	5
4	1=it's not important to me	75.00%	15
	Total	100%	20

Q15 - Indicate if you agree with the following statements.

#	Question	Disagree	Neutral	Agree	Total

1	If Budweiser were not available I would look for it elsewhere	90.00%	18	10.00%	2	0.00%	0	20
2	If Budweiser is not available I will buy a different brand	15.00%	3	15.00%	3	70.00%	14	20
3	If I had to choose between Budweiser and a competitor beer I would choose Budweiser	70.00%	14	30.00%	6	0.00%	0	20

Demographics

Q18 - What is your sex?

#	Answer	%	Count
1	Male	15.00%	3
2	Female	80.00%	16
3	Other	0.00%	0
4	Prefer not to answer	5.00%	1
	Total	100%	20

Q19 - Please indicate your age range below:

#	Answer	%	Count
1	18-24	5.00%	1
2	25-34	40.00%	8
3	35-44	35.00%	7
4	45-54	0.00%	0

5	55-64	20.00%	4
6	65 or over	0.00%	0
	Total	100%	20

Q20 - What is your marital status?

#	Answer	%	Count
1	Single	50.00%	10
2	Married	40.00%	8
3	Divorced	5.00%	1
4	Widowed	5.00%	1
	Total	100%	20

Q21 - How many children do you have living at home?

Answer	%	Count
0 children	60%	12
1 child	15%	3
2 children	25%	5

Q22 - What is your household income?

#	Answer	%	Count
1	Under \$15,000	5.00%	1

2	\$15,000-\$24,999	0.00%	0
3	\$25,000-\$34,999	10.00%	2
4	\$35,000-\$49,999	20.00%	4
5	\$50,000-\$74,999	35.00%	7
6	\$75,999-\$99,999	10.00%	2
7	\$100,000-\$149,999	5.00%	1
8	\$150,000-\$199,999	10.00%	2
9	\$200,000+	5.00%	1
	Total	100%	20

Q23 - What is your employment status?

#	Answer	%	Count
1	Employed Full-time	70.00%	14
2	Employed Part-time	15.00%	3
3	Retired	0.00%	0
4	Unemployed	15.00%	3
	Total	100%	20

Q24 - What is your education level?

#	Answer	%	Count
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1	Less than High School Graduate	0.00%	0
2	High School Graduate	0.00%	0
3	Some College	15.00%	3
4	Bachelor's Degree	60.00%	12
5	Advanced Degree (MS, PhD)	25.00%	5
	Total	100%	20

Q25 - What is your race?

#	Answer	%	Count
1	White	85.00%	17
2	Black or African American	0.00%	0
3	American Indian or Alaska Native	5.00%	1
4	Native Hawaiian or Pacific Islander	0.00%	0
5	Asian	5.00%	1
6	Two or more races: please specify	0.00%	0
7	Prefer not to answer	5.00%	1
	Total	100%	20

Rebranding Strategy

As part of a re-brand strategy, Budweiser would launch a craft-beer line called “The Heritage Collection”. The original Budweiser beer would be positioned as the grandfather of the beer that pioneered the way to the craft beer industry. To bring attention to this idea, Budweiser will be releasing two seasonal craft beers: Heritage Stout, and Pioneer IPA. Launching a craft-beer line and positing Budweiser as the pioneer of beers that influenced the world of craft beer allows for the brand to have a place in the craft-beer world.

Since only 20% of survey participants were satisfied with the quality of Budweiser and zero percent of them thought of Budweiser when thinking of beer, this rebranding campaign will effectively discontinue the brand slogan “King of Beers,” and replace it with “Pioneer of Beers.” The word king implies superiority which our target audience does not appear to agree with. However, positioning the brand as a pioneer of craft beer connects Budweiser to the craft beer industry and communicates directly to the interests of the young craft-beer drinker we are targeting. This would change the image of Budweiser as the beer that your grandfather and father drank to a beverage that a craft-beer lover would be proud to consume, order with your burger or serve at your wedding essentially making it everyone’s beer.

We do not want to replace the original Budweiser since older generations continue to favor this beer which is what continues to make it one of the best-selling beers in the country and the fifth most popular beer among baby boomers according to data collected by YouGov (The most popular beers, n.d.). Younger generations tend to be more interested in the story behind a brand than older generations who tend to be more focused on a the price of a product

(BOOMERS VS. MILLENNIALS , 2016). This is in line with what Budweiser has seen over the last decade, with millennials consuming more craft beer while Budweiser sees a decline in sales (Stanz, n.d.). We want to remedy the loss of the younger customers, and a craft beer launch will intrigue beer drinkers but we won't lose our original customer. This strategy would create the image of two generations of beer drinkers coming together to enjoy one brand.

Goals and Objectives

Because Budweiser is positioned as a major beer brand and has a significant portion of market share we want to ensure we keep that and grow our base. (Monllos, 2016). Therefore, our campaign has three major goals. The first is to regain young beer drinkers who have abandoned Budweiser or never considered it to be their beer of choice, in turn increasing sales among this audience. We will create a shift in the minds of consumers and those who have a poor perception of Budweiser. This will be measured by the amount of growth and sales dollars Budweiser will see from the targeted audience. The second goal of the campaign is to change perception among the targeted audience, we will measure the change in perception with the digital and social growth that we witness from platforms that the audience engages in the most. Third is to successfully release and promote “The Heritage Collection”. We will monitor and measure the sales in 90 day increments starting from the launch date. We can also create hashtag campaigns that engage our audience on social and calculate our results based on voluntary surveys and engagement. See the Integrated Media Strategy for more details.

Integrated Media Strategy

The strategy that we are setting in motion is intended to reach beer drinkers specifically males between the ages 21-34 these segments currently dominate the craft beer industry (Kendall, 2018). We will market our campaign using paid media outlets, and also utilize streaming services that are heavily dominated by our demographic. We will include sponsored Social Media ads on YouTube, Twitter, and Instagram. We will also use music streaming services, such as Spotify and Pandora for commercial spots, and include the popular TV streaming service Hulu for commercial spots. Since millennials spend more time on a computer, smartphone or tablets or tablet than older generations, utilizing these TV streaming services, we will be able to reach the 21-34 demographic segment we plan to target (Steel and Marsh, 2015). On the flip side we will use 10% to advertise on TV to ensure we do not lose our older demographic base of loyal customers by maintain some of the traditional marketing that Budweiser has used in the past.

We will focus heavily around 40% on advertising on the music streaming service Spotify and Social Media Platforms like Instagram and Twitter This is because in 2017 Spotify became the third largest advertising platform in the United States (ShivarWeb, 2018). Not to mention, in recent history when Jose Cuervo decided to take its advertising efforts to Spotify and launch a campaign to reach college students in the UK they saw a growth of 220% in sales among the market (Sanner, 2019). We can take of advantage insights that will hone in on our target market which Spotify offers. We can also target use Instagram and Twitter insights to target our audience, and create hashtag campaigns to create a buzz around our launch.

We will use 20 % of advertising on Print Ads in magazines that cater to our target audience, in magazines like GQ and Esquire. GQ is the number one magazine for males in the luxury arena and Esquire which has more than 9,000,000 readers worldwide. “Esq, 2019” These ads will be full page color that we will run for 90 days in each magazine.

We will dedicate 30 % of advertising to US Video ads on platforms such as YouTube , Hulu, and continue to advertise through video and display ads on the GQ and Esquire websites. We will continue to utilize 10% of our budget towards Cable and Network TV that has been a strong spot for Budweiser, so losing it would not be wise, however for the launch of the new collection Budweiser needs a temporary shift to reach and capture a different audience.

Key Message and Visual Concepts

The key message that we are focused on for the campaign is growth and innovation. We want to show that as brand we can change with the times, while keeping alive the traditions and maintaining the customers that have allowed us to be an industry leader. This type of message will support our decision to launch the Heritage Collection, and keep market share that we currently have while expanding it to reach our projected goals.

The combination of our media strategies will project three messages, (1) Budweiser can now be one of the craft beers you reach for, (2) Budweiser’s new Heritage Collection means that there is a Bud out there for everyone. The messages will provide the belief that we will not turn our backs on our original consumer, as well as the fact that we can change along with your growing life.

The image change will begin with the design of the bottle and logo. We will continue to

use the bright red coloring that has become the staple for the brand, but we will update the imaging create a clean distinct look ,and reduce clutter. The first visual communication will show two men and suit jackets and shirts without a tie enjoying a Heritage Collection beer in a happy hour lounge setting. This will appeal to the men who are in the craft beer target market and the readers of the magazines . We will also show a Grandfather and Grandson enjoying the beer but they will be holding two different bottles, one from the original Budweiser, and one from the Heritage collection. This will display the generational span of the brand. The same concepts will be used on the visual print for Spotify and will be turned into commercials for Hulu, and YouTube. See Appendix for image and logo change.

Budget

In 2017 Budweiser spent over \$300,000,000 in total spend. They dedicated over \$220,000,000 (48%) of the spend to Network TV. \$62,000,000 (28%) went to Cable TV, \$3,000,000 (4.9%) went to US Internet Display, and \$1,943,650 (2.7%) went to a combination of Magazines, Mobile Internet and US Online Video. Though this is not the total spend these categories are important to look at in terms of the rebrand. We want to shift the presented spend and add to it by a total of \$150,000,000 bringing the spend to around \$740,000,000.

Considering the fact that we are moving 40% of our budget towards online streaming services we needed to raise the spend on the mobile internet, these segments will include streaming services like Spotify and Hulu, and the social media platforms Instagram and Twitter. We will reserve YouTube for the use of the US Online Video spend along with video Ads on the GQ and Esquire Websites. Because we know that YouTube ads can be intricate and will cost approximately 10 – 30 cents per view we will use ads that target to those between the ages of

21-34, and specifically those who use beer-related search terms in YouTube and Google (Schaller, n.d.). This will ensure that we are efficient with the 30% allocation of the budget.

The Magazine Ad spend will need to be increased significantly as we know that it will cost approximately \$100,000 per issue according to the average cost of national publications similar to GQ (Alley, n.d.). We are specifically targeting two men’s magazines, but will also use local magazines in large metro areas, as well as magazines that we know our current customer base are loyal readers of.

Lastly we will shift some of the spend for Cable TV for a short time without cutting it out altogether, we want to keep loyal consumers engaged and ensure competitors do not highly-visible TV spots. However in order to successfully launch the collection and target the consumers that we are looking to bringing into our base, we must target those arenas that they frequent and where we will get the most traffic. See the table below for the budget breakdown.

BUDGET BREAKDOWN

Media	Cost
Mobile Internet	\$298,000,000
Magazines	148,000,000
US Online Video & US Internet Display	220,000,000
Cable TV	74,000,000
Total	740,000,000

Overcoming Primary Mistake

In examining Budweiser's past and who they cater to in particular one could say that they have no desire to reach out to a younger audience. The problems that we faced included consumers not seeing us a quality beer, and not even being in the mind of our customers when it came to beer. But closing the gap between Budweiser, and the craft beer drinkers of the world, is what will help to bring them back into the minds of consumers and bring in a new demographic for them to service.

The rebranding strategy that we presented will restore the brands image, and introduce them as the beer that will now be one that you and your Father and Grandfather could enjoy together though you may have different taste. It aims to bring inclusion to the forefront and no longer eliminate those who they felt were not up to "the challenge" of drinking their beer. In the past Budweiser has been able to capture a broad audience and customer base with their "Real Men of Genius" campaign. (Sunset, 2008) This strategy seeks to bring those men back into our consumer base and expand to a generation who will carry Budweiser forward and create exponential sales growth.

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Appendix A





