

How Storytelling Impacts Branding for Craft Beer

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Abstract

This paper explores millennial consumers' perceptions regarding how brand storytelling can contribute to building brand equity for the craft beer industry. Since time began, stories provided deeper meaning of life, uniting cultures and fortifying religious beliefs. People like to experience life through stories since they enhance relationships, serve as learning tools and help build an all-important sense of community. The study adds value to academics by extending the literature about storytelling and examining the 'Extended Transportation-Imagery Model' (Van Laer et al., 2014). The research enhances craft beer brewers' understanding of how storytelling can build their brands while targeting the fickle needs of millennials. This group, 21-34 year olds are credited for being trend hunters, value conscious, purchasing organic and healthy and also noted for spending more on craft beer each month than they do on their mobile phones and utilities (Settembre, 2019) becoming a profitable and growing segment to target.

Key Words: Branding; Storytelling; Millennials

Track: Strategic Marketing and Branding

Introduction and Research Aim

The aim of this paper is to explore consumers' perceptions regarding how brand storytelling can contribute to building brand equity for craft beer. Since the beginning of time, stories have been told and have provided individuals with a deeper meaning of life (Fog et al., 2010), uniting cultures, fortifying religious beliefs and traditions. Stories help humans make sense of themselves. People like to experience life through stories since they enhance relationships, serve as a learning tool and help build an all-important sense of community (Brooker, 2018). Storytelling plays an active part in developing intangible, positive associations with a brand. An increasing number of craft beer breweries are beginning to recognise the benefits of incorporating storytelling as part of their marketing strategies. Storytelling amongst alcohol brands has accelerated in recent years, particularly within the craft beer industry (Mintel, 2017). Beer consumers, particularly millennials are shunning mass produced traditional beer brands due to their overwhelming homogeneity, while seeking locally produced craft beers with greater quality, taste and uniqueness (Hede and Watne, 2013; Marck, et al., 2016)

Serving millennials and focusing on storytelling are two topics that require a change to marketing strategies. Storytelling creates a unique brand identity and is a key promotional strategy. "Goods and services are becoming increasingly indistinguishable, almost identical; the only thing that separates them is the story behind the brand – be it genuine or fabricated, the accompanying story gets told and retold. End of story" (Brown 2016, p 68). In essence, "a brand is a product or service with a story attached" (Stern, 2006, p 217). Previous research on brand storytelling has focused on cosmetics brands (Lundqvist, 2013), fashion brands (Kretz and De Valck, 2010), tourism (Pera, 2017), and education (Coventry, 2008). However, it is apparent that there is a clear gap in research in terms of storytelling within the craft beer industry. In order to satisfy the research aim, the following objectives have been set:

- 1. To identify the different types of stories that exist within the craft beer industry and to explore the specific story elements used.*
- 2. To explore consumer perceptions with regard to these brand stories and the extent to which it can build brand equity for craft beer brands.*

Methodology

Fifteen in-depth interviews were conducted with British millennial consumers (aged 18-35) who are craft beer enthusiasts (Millennial Marketing, 2018). Data collection (October 2018-January 2019), analysis and interpretation of the data was completed solely by the authors of this paper. The interviews were transcribed verbatim and analyzed using the qualitative software package NVivo12 as a data management tool. NVivo software supports qualitative research and can analyze the data using powerful search, query and visualization tools designed to integrate data coding with qualitative linking, shaping and modelling. The main benefits of structured interviews are that researchers can move far beyond 'snapshots' of 'what' or 'how many' to probing questions relating to 'how' and 'why' type of questions and explore links between phenomena and real life settings (Miles and Huberman, 1994).

Discussion and Conclusion

The findings revealed that craft beer brand stories displayed similarities in content by conveying the principal beliefs and values of the brand, whilst also educating consumers about the brand's history and heritage. Additionally, it was apparent that the brand story elements previously mentioned within storytelling literature were also being implemented in the

storytelling of craft beer brands. These included authenticity, humour, conciseness and reversal (Chiu et al., 2012). Elements of conciseness and reversal were less frequently used. This research provides valuable insight for craft beer brands as to what is currently taking place within the industry in terms of brand storytelling and extant competition. However, as highlighted by Chiu et al., (2012), an understanding of these brand story elements and how they can influence consumer perceptions and assist practitioners in designing an effective story.

The interviews revealed that *authentic* and *humorous* brand stories positively influenced consumers' ability to understand a brand and recall it in future consumption scenarios, and thus led to higher brand salience. Furthermore, these story elements enabled consumers to easily identify the brand's personality and character. This resulted in stronger, more favourable and unique brand associations, achieving an enhanced brand image and overall improved points-of-difference in the minds of the consumers. Additionally, authentic and humorous brand stories had a positive effect on eliciting positive brand feelings and judgements, improving consumer reactions towards the brand.

Story elements encouraged noteworthy identifiable characters, fictional or non-fictional (Dessart, 2018), imaginable plot, positive behavioural loyalty and significant consumer engagement, which ultimately forged a deep and meaningful relationship between the brand and the consumer, thus achieving a higher brand resonance. Findings support the 'Extended Transportation-Imagery Model' which includes the attributes of the story and consumer as storyteller and story receiver antecedents (Van Laer et al., 2019). The model develops an understanding of the positive impacts that can be achieved through storytelling. The theory suggests that consumers who are transported during a story are more likely to form positive brand associations and attitudes (Yu et al., 2013).

Implication for Theory and Practice

This study presents its own contributions to the surrounding body of literature, and responds to Keller's (2009) call for continued research to better understand how brand storytelling can be effectively utilised to increase long-term brand equity. Building upon current storytelling literature alongside the use of Chiu's et al., (2012) essential story elements and Keller's (2009) customer-based brand equity model, this study has filled the research gap between brand storytelling and brand equity, providing valuable descriptive findings and rich insight, whilst also filling the void of academic research within the British craft beer industry. It is suggested that practitioners use digital brand videos when possible since millennials are more receptive to this form of storytelling (Van Laer, et al., 2019)

The research is consistent with previous literature regarding the positive effects of brand storytelling on consumer perceptions, including improved brand understanding and recall (Koll et al., 2010), positive brand associations (Lundqvist, 2013), strengthened consumer-brand relationships and loyalty (Yu et al., 2013), which allude to the creation of brand equity. While the research complements previous studies, it adds value to understanding specifically how different types of brand stories can significantly impact consumers and their perceptions towards a brand and subsequently the creation of brand equity, thus making further theoretical contributions to the area of brand storytelling. Furthermore, this study employed a qualitative research approach of consumer perceptions of brand storytelling, which was evidently lacking in previous literature. The study discussed, millennial consumers, craft beer and storytelling, three topics that have changed with the times reflecting the value of this study and how future research is needed to further appreciate the *winds of change*.

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