

CRAFTING COMMUNITY: A CASE STUDY FOR KINGS BLUFF BREWERY SOCIAL MEDIA MARKETING

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CASE DESCRIPTION

The primary subject matter of this case concerns social media marketing for small businesses. Secondary issues examined include consumer behavior, social networks, and uncertainty reduction. The case has a difficulty level of three, as it is appropriate for students at the junior level. The case is designed to be taught in three class hours and is expected to require one hour of outside preparation by students.

CASE SYNOPSIS

With explosive growth in the craft beer industry and a single brewpub serving Tennessee's youngest city, homebrewers Dustyn and Kristen Brewer recognized an opportunity to serve, celebrate, and build community in Clarksville, Tennessee. With big dreams and a limited promotions budget, the owners looked to social media to achieve their promotions and community-building goals as they opened microbrewery Kings Bluff Brewery in 2019. Through this case study, students are challenged to reference industry resources, case information, and theory as they produce research-based social media marketing recommendations for Kings Bluff Brewery.

INTRODUCTION

It was 2017 and the growth of American craft brewing was in full throttle. In a span of only eight years, the 200-year-old brewing industry had grown its workforce 120% as the number of brewing entities increased six-fold (Thompson, 2018). But in fast-growing and notably “young” Clarksville, Tennessee, only one craft brewery – a brewpub – was in operation.

Enter the Brewers.

Recognizing their personal desire for more local craft beer options matched a national consumer and market trend, Dustyn and Kristen Brewer began brewing small batch beers in their garage. As their recipes continually improved and friends happily enjoyed the fruits of their labor, they refined a vision for a new, different brewery designed to craft community *and* beer, offering a space for the types of conversation and collaboration that strengthen ties between segments of the area's diverse population. By late 2018, the Brewers were putting the final touches on their microbrewery, Kings Bluff Brewery (KBB), in downtown Clarksville, Tennessee and anticipating an early 2019 opening.

Like many small brewing operations, the Brewers planned to use low-cost, highly-efficient social media as a cornerstone of their promotional strategy, anticipating social networking sites would allow them to achieve both promotional and community-building goals.

With an almost non-existent promotions budget and construction nearing an end, they began to debate the specifics of their promotional strategy and the role of social media: Which platforms would best serve KBB? How should they use them? Who should manage them? What types of content should they share?

THE CRAFT BEER INDUSTRY

The Brewers Association, which offers longitudinal data and insights on craft beer in the United States (Brewers Association: Who we are, n.d.), defines six market segments within the craft beer market including microbreweries and brewpubs. Microbreweries are entities producing fewer than 15,000 barrels per year and selling at least 75% off-site while brewpubs operate significant food services and sell at least 25% of their beer on site (Brewers Association: Economic impact, n.d.). Microbreweries far outnumbered other types of American brewers in 2018, accounting for 4,522 of the total 7,450 breweries documented that year (Brewers Association: Craft beer industry market segments, n.d.). Further, microbreweries produced 22.5% of the craft beer industry volume and significantly outpaced brewpubs in openings per year (Brewers Association: Craft beer industry market segments, n.d.).

Driven by consumer preference for the taste, quality, and craft beer culture associated with craft beer (C+R Research, n.d.), the craft beer market grew steadily in 2018 (Brewers Association: National beer sales & production data, n.d.). While overall U.S. beer sales declined by 1% in 2018, craft beer sales increased 4% by volume, fueling a 7% increase in retail dollar sales. The Brewers Association estimated craft brewer sales represented 13.2% of the national beer market by volume, or 24% of the \$114.2 billion market. Overall, microbreweries fared better than brewpubs from 2017 to 2018, mostly due to an 18.5% increase in the number of brewpub closings. The number of U.S. microbreweries grew by 15% from 2017 to 2018. During this period, craft beer operations expanded in Clarksville, Tennessee, as the area's single craft brewer (a downtown brewpub) gained three competitors – another large downtown brewpub and two taprooms located in the shopping district roughly seven miles away – and microbrewery KBB prepared to open.

Survey data collected via Nielsen's 2019 Craft Beer Insights Poll indicated the average weekly craft beer drinker was usually male, age 44 or younger, and had an annual income of \$75,000-\$99,000, but noted an increase in the number of women who drank craft beer on a monthly basis (Kendall, 2019). The research further indicated weekly craft beer drinkers were concerned with shopping local, as 71% said they purchased only regional beer and 62% indicated they bought local beer. Additionally, brand recognition played an increasingly important role in craft beer choice, with consumers (especially women) indicating considerably less willingness to buy a craft beer they had never heard of. Sampling, education, and opportunities to try exclusive offerings were the top reasons consumers visited breweries, with sampling being especially important to female craft beer drinkers. Research from C+R Research (n.d.) offered insights concerning spending habits, reporting craft beer drinkers spend \$59 per month on craft beer and the majority (76%) did not allow price to influence the decision to purchase craft.

KINGS BLUFF BREWERY

Inspired by the national boom in craft brewing and experiences with operations in Asheville, North Carolina and Nashville, Tennessee, the homebrewing Brewers recognized a business opportunity in the Clarksville, Tennessee market. Located just ten miles from Fort Campbell Military Installation and home to a state university of more than 10,000 students, Clarksville boasted an average resident age of just 29 (Mishkin, 2019) but – for more than a decade – had just one craft beer brewer.

Leveraging their combined 20 years of marketing experience – hers as a higher education recruiter and his as a business developer and digital marketing manager – the Brewers identified an opportunity to develop a fully “Clarksville-centric” approach to craft beer through the celebration of all the people and places that made the city unique. Among those places was King’s Bluff (also spelled Kings Bluff, depending on the source), a river’s edge rock-climbing site featuring 160 routes on nearly 1,700 linear feet of cliff (King’s Bluff, 2019). “We wanted our focus to be on the things that make Clarksville unique, and Kings Bluff is found only in our city,” noted Dustyn as he explained the naming process, which included deciding to use the non-possessive spelling of the site name for aesthetic reasons. “Craft beer drinkers tend to be a bit ‘outdoorsy’ and the name Kings Bluff resonates with climbers in the area.”

Positioning

By late 2018, the downtown Clarksville, Tennessee area was home to two brewpubs, meaning both craft brewing establishments placed considerable emphasis on dining. While consumers likely thought of dining *then* craft beer when considering these other downtown business district breweries, the Brewers wanted consumers to think of community, quality, and flavorful beer when thinking of KBB. To support their positioning, the Brewers chose the slogan “Craft beer, elevated” as a clever nod toward the King’s Bluff climbing experience and as a means of communicating the elevated experience and quality consumers should expect.

Target Market

While the overall demographic characteristics of Clarksville, Tennessee’s young population aligned with those of consumers who enjoy craft beer, the Brewers carefully defined the consumers they would include in their target market. The new business owners decided to target craft beer-drinking consumers affiliated with the nearby university and/or downtown business district entities who followed current trends, took risks, enjoyed the outdoors, and/or sought participation in a community of people.

Marketing Mix

Determined to position KBB as the craft brewery offering community, quality, and flavorful beer, the Brewers strategically developed their marketing mix.

Place: In 2018, the Brewers secured a lease and began renovations on a 3,600-square-foot downtown Clarksville, Tennessee space located just feet from the Austin Peay State University quad and a large residential development targeting college students. Law offices, government buildings, boutiques, restaurants, brewpubs, and a variety of other businesses were located within the surrounding three city blocks. Limited free parking was available on site and ample street parking was available nearby.

There, the Brewers decided to develop a “mellow” taproom where customers could purchase KBB brews for on-site or at-home consumption. The beer would not be available for sale in retail stores. Rather, with an eye toward the goal of creating community and increasing sales, the Brewers wanted curious craft beer enthusiasts and loyal KBB customers to pay a visit to the taproom, an act correlated with increased purchases (Kendall, 2018). They decided they would occasionally operate a beer tent at special events, including pop-up beer gardens at local restaurants.

Product: In alignment with their mission and positioning, the Brewers developed a set menu of high-quality, locally-sourced craft beers, each of which celebrated a unique aspect of Clarksville. For example, the Bun N’ Cream Stout would be a tribute to the decadent grilled honeybun and ice cream dessert of nearby downtown diner Johnny’s Big Burger, while the Dry Campus Irish Stout would serve as a playful nod to the nearby dry college campus. As dog lovers, the Brewers also decided to make KBB a canine-friendly establishment and developed Puppy Pilsner – an organic broth blend – to keep on tap for four-legged customers. The beers would be offered on site in flights, pints, and pitchers, and sold in cans, growlers, and kegs for off-site consumption. The brewery would employ five “beertenders”, with “Beer Lord” Dustyn serving as the sixth member of the wage-earning team.

In designing the servicescape, the Brewers kept their target market and mission in mind, choosing to design a rustic, open, well-lit space featuring broad storefront windows, metal and wood detail, visible tanks, and a variety of tables and chairs patrons (or staff) could assemble as desired (see Figure 1). Free wireless internet and subtle music would make the space attractive as a workspace during earlier hours, while the fluid floorplan and easy-to-reconfigure furniture would allow for a variety of events in the evening. Within the taproom, they planned to host a variety of trivia nights, comedy/live music engagements, paint-and-sip parties, and other events open to the general public. Activities would vary by day of the week and, accordingly, the consumer experience would differ to some degree (see Figure 2).

The Brewers decided they would focus solely on delivering excellent beer and an exceptional experience, leaving food to the discretion of the customer. Customers would be free to bring their own food or have it delivered to KBB. Like many other microbreweries, KBB would periodically host a food truck. Free popcorn would be offered via a carnival-style popcorn stand.

In addition to everyday retail operations, the Brewers saw potential in renting the two-room, 3600-square-foot space for events, with fees covering purchase of KBB kegs and after-party cleanup. Further, they decided to sell a signature brew service whereby business owners could partner with the KBB Beer Lord (Dustyn) to develop a brew of their own.

Price: In determining which pricing strategy to use, the Brewers considered both the cost of using premium ingredients to craft premium beer and the price-insensitive nature of the craft beer consumers. Accordingly, the Brewers decided to use value-based pricing, tapping into consumers’ preference for craft beer and willingness to pay more for craft labels. KBB prices would be based on consumer willingness to pay rather than on cost to produce (cost-plus pricing), which results in higher prices than the cost-plus model.

Promotion: With a severely limited promotions budget, the Brewers knew low-cost public relations and digital media were their best options. Specifically, they knew highly-effective social media marketing on social networking sites would play an important role in enabling them to achieve their goals. Accordingly, they set aside \$500 of their grand opening budget for sponsored posts on social media.

In the short-term, the Brewers needed to build awareness of and interest in their new microbrewery, a task they approached in two-steps. First, they regularly shared photos and posts about the soon-to-open brewery on their personal social networking pages, engaging their social contacts in the excitement of the process and building anticipation. Once they successfully built buzz within their network, the Brewers would shift their “fans” to official, public KBB social media channels where opening-focused buzz-building activities would continue for the short term.

In the long-term, the Brewers knew their social media pages must enable them to quickly and regularly communicate with craft beer enthusiasts both for promotional *and* community-building purposes. From a promotions perspective, the Brewers needed a channel to inform consumers about the ever-shifting variety of events, food trucks, and small batch brews. A consumer expecting to enjoy a pint of the limited edition Dunbar Draught while working from her laptop would, after all, be frustrated if she arrived to find the beer was no longer available and a noisy trivia night was in progress. In terms of community building, the Brewers knew social networking sites would foster conversation between the brewery and consumers, and between fellow KBB customers. Further, they recognized word of mouth was the most credible (albeit most difficult to control) form of promotion and that social networks would effectively facilitate the spread of information between existing and prospective customers.

STRATEGIC SOCIAL MEDIA CHOICES

As opening day drew nearer, the Brewers needed to finalize plans for social media use. Specifically, they needed to decide which social networking sites they should use, who should manage them, and what types of content they should share.

DISCUSSION QUESTIONS

1. Which social networking sites should KBB use? Who should manage them? Provide supporting rationale and research.
2. Through the lens of social network theory, explain why social media is a critical component of the promotional strategy for KBB, a new business seeking to build community and grow sales.
3. What uses and gratifications may drive craft beer drinkers to follow and engage with KBB brand pages on various social networking sites? How can KBB use that information to strategically develop social media content aligned with their mission?
4. Think about the reasons KBB customers, both prospective and existing, may experience uncertainty. How can KBB use social media to create a sense of certainty and, ideally, move consumers toward a long-term relationship?

Fig. 1 On-site Photos



The Kings Bluff Brewery logo features outdoor images and the brewery tagline, “Craft beer, elevated”.



Kings Bluff Brewery’s windowed storefront contributes to the airy, natural servicescape.



A mural depicting the downtown Clarksville skyline communicates the brewery's enthusiasm for local living.



Small barrel brewing means short-term availability, thus the chalk-written KBB bar menu. Flights, pints, and growlers are available for purchase.

Fig. 2 Social Media Posts



**3/10-3/15
SET LIST!**

What's waiting for you at the end of the rainbow?
It's not a pot of gold. It's a cold pint of the
best beer in Clarksville!

As always, everyone is welcome at #KBB, regardless of age, orientation, religion, or pilitics.
Families welcome, pets preferred! No assholes allowed!

APSU Study Hall - BOGO 1-4 with APSU I.D.
TUES: Table Tops & Taps Game Night!
Theology On Tap, Hosted by Josh @ 7

APSU Study Hall - BOGO 1-4 with APSU I.D.
WED: Pressing Waffles with The Liege Waffle Co. @ 4
Nerdy Talk Trivia @ 7 and Necessity Drop
Off at #KBB Till 8

APSU Study Hall - BOGO 1-4 with APSU I.D.
THUR: Fleet Feet Group Run Meet @ 5
Brew Crew \$1 Off Pints for All Runners!

APSU Study Hall - BOGO 1-4 with APSU I.D.
FRI: Movie On Tap: Friday the 13th @ 7
Cheesesteak Academy Serving 5 - 9

SAT: 2nd Annual St. Pat's Celebration
Fatboy Tacos Noon to Sold Out!

SUN: Test Batch Brew Day:
Strawberry Milkshake IPA

Find our Facebook for events, tickets, and info. All times are subject to change due to availability.

Offering an intentionally variable experience, KBB outlines each week's plan in its "set list".



KBB amplifies its organic reach through creation of Facebook events.

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