



## DIVERSITY AND INCLUSION FOR SMALL AND INDEPENDENT BREWERIES

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## Best Practices for Implementing Diversity and Inclusion: Diversifying Your Fans

The second resource in a five-part series

## PURPOSE

The purpose of this document is to provide a set of suggested best practices for Brewers Association (BA) members seeking to increase the diversity of their fans. For the purpose of this document, the term *diversity* refers to variety in the demographic makeup of the people who enjoy craft beer.

## Benefits of Diversifying Your Fans

<u><i>Growth that Grows</i></u>	<u><i>Broader Community Engagement</i></u>	<u><i>Supporting Social Sustainability</i></u>
<p>It's no secret that there are financial benefits to cultivating new markets—most notably sales growth. When it comes to diverse markets, the nature of that growth can be significant.</p> <p>Breweries can accelerate growth achieved via networking, recommendations, and word of mouth by cultivating new groups of fans that are likely to have overlapping social circles with their existing fans.</p>	<p>For many small and independent brewers, community engagement is a cornerstone of everyday operations.</p> <p>Whether contributing to the local economy, providing jobs and leadership, hosting events, supporting legislation, or giving charitably, cultivating a more diverse customer base provides more opportunities for breweries to forge mutually beneficial connections with more segments of their local and regional communities.</p>	<p>Social sustainability is a process through which current generations create places, systems, structures, processes, and relationships that actively promote the capacity of current and future generations to achieve success, well-being, and quality of life.</p> <p>Socially sustainable communities, whether neighborhoods or neighborhood breweries, are equitable, connected, democratic, diverse, and contribute to community resilience.</p>

## UNDERSTANDING YOUR CONSUMER MARKET

While the composition of regional marketplaces varies significantly, current data reveals that certain demographic groups are nearly universally underrepresented among the craft beer industry's consumers.

- While women make up just over half of the general population of the United States, they comprise only 31 percent of craft beer drinkers. (Scarborough 2017)
- People of color make up approximately 32 percent of drinking-age Americans, but only 20 percent of craft beer drinkers. (Scarborough 2017)
- Nearly 39 percent of Americans of legal drinking age are 55 or older, but only 21 percent of craft beer drinkers fall within this age demographic. (Scarborough 2017)

Though these national trends can be observed in many markets, regional variations can be significant. Therefore, breweries should make a concerted effort to understand the makeup of their unique consumer markets.

Every pint of craft beer is a product of the ingredients used in its production. In the same way, the composition of your fans will be, at least in part, a product of the demographic makeup of the region your brewery serves. In order to set realistic and achievable diversity and inclusion goals, it is logical to first understand the composition of the general population as well as the craft beer drinking population in your area.

## General Population Data



<https://factfinder.census.gov>

A number of tools are readily available for learning about the demographic composition of the area your brewery serves. The *American FactFinder*, an online tool created by the U.S. Census Bureau, readily provides summary data for various population, housing, and economic characteristics. Tip: Use the “Guided Search” feature to answer a series of step-by-step questions to efficiently find the information you are looking for.

Many community organizations may also provide valuable population, geographic, and economic data, saving the time and effort of searching and summarizing census data. These organizations may serve their constituencies at the neighborhood, municipal, county, state, regional, or national level and can include:

- Governments
- Small business associations
- Economic development authorities or commissions
- Visitors bureaus
- Planning departments or commissions

## Craft Beer Drinking Population Data

The Brewers Association provides insights into the demographics of craft beer lovers through its various Power Hour webinars. The archives of previous Power Hours are available to all members here: <https://www.brewersassociation.org/power-hour/>

## FORMING AUTHENTIC RELATIONSHIPS WITH NEW FANS

When it comes to increasing diversity and inclusivity among your fans, taking a “barriers not bait” approach is crucial. This approach asserts that rather than attempting to *bait* specific populations of people into a relationship with your brand, your efforts should be focused on removing perceived *barriers* to access. Several major areas of fan interaction in the craft beer industry where barriers are commonly experienced are discussed below. These are followed by six broad approaches that breweries can take to begin the process of diversifying their fans.

### Exposure

Generating exposure is the first step—and perhaps the most formidable barrier—to making new fans among underrepresented groups of people.

#### 1. Expand the social geography of your brand.

While the distribution area and types of distribution that your brewery engages in are part of the “social geography” of your brand, there are a number of additional elements to keep in mind.

### Diversity of Accounts

For breweries that do considerable distribution off-premise, the number, type, and location of your sales accounts can affect the degree of variation in your customer base.

### Putting in Face Time

Many small and independent brewers take advantage of opportunities to interact with consumers outside the walls of the brewery at festivals and other community events. Keeping abreast of a broad range of opportunities or exploring new opportunities is an effective strategy for expanding the social geography of your brand.

### Reaching Beyond Beer

Partnerships are an effective and efficient way to grow your network of fans. Looking beyond craft beer and closely related industries—whether through advertising and sponsorship, marketing, or philanthropy—is another productive way to extend the social geography of your brand.

## Education

Winning new fans from demographic groups that are not well-represented among craft beer drinkers often involves more than educating potential customers about your brand and beers. In many cases, gaining new fans involves exposing people to craft beer in general.

### **2: Be an awesome ambassador for the craft beer industry.**

Those who make craft beer are often its most passionate fans. Industry members have long appreciated the specialized knowledge involved in the production and enjoyment of craft beer. For better or for worse, a byproduct of the significant role of this specialized knowledge has been the development of an “economy of expertise.” And although craft beers produced by small and independent breweries may be sold at a higher price point than beers produced by the largest non-craft brewers, a lack of knowledge can create a more effective barrier to access than a lack of financial resources.

Many in craft beer are accustomed to being lecturers, tour guides, gurus, and friendly adversaries, but may not necessarily be careful and attentive ambassadors. This role requires careful listening skills and attention to the overall customer experience.

### **3. Do not make assumptions about the expertise of your fans.**

It is vitally important that, in our enthusiasm to be effective ambassadors, we do not make assumptions about potential customers’ craft beer experience and expertise. The lack of representation and visibility in a demographic or cultural group can contribute to the development of this unconscious bias.

But just as a lack of knowledge may serve as a barrier to access for those who deem it necessary to be comfortable in the world of craft beer, the experience of having one’s expertise questioned or ignored can also serve as a barrier to returning.

## Representation and Visibility

First impressions matter. What people see and experience the first few times they interact with your brand, your beer, or your brewery will go a long way toward determining their perceived standards and norms for the messages, experiences, and spaces that you create and manage. For breweries invested in growing the diversity of their fans, taking an active role in shaping norms for their new fans is key.

#### 4. Mirror the diversity you want to see.

The prospect of mirroring the diversity you want to see in your fans when that diversity does not yet exist presents a very real dilemma. How do you accomplish this without resorting to tokenizing underrepresented fans, resorting to exploitative marketing, or appearing to be inauthentic or insincere in representing yourself in the marketplace?

Invest in Diversifying your Hands

Invite Your Fans to Express Themselves

Embrace What You Already Have Going for You

#### 5. Use partnerships to build your fan network.

Beer has long been acknowledged as a social beverage, and craft breweries continue to be enjoyable locations for social gatherings and community events. Though breweries often take the initiative to create and curate social experiences around their beers and in their breweries, they should take into account that many fans, old and new, are organized by countless interests, activities, and affinities outside of drinking craft beer.

Make sure that your partnerships are not always with the same types of organizations and that your partners don't all serve the same population of fans.

#### Beyond Beer Festivals

- Agricultural fairs and celebrations
- Food festivals and expos
- Music and dance festivals
- Folk festivals
- Ethnic and cultural heritage festivals
- Neighborhood and community celebrations
- Block parties
- Pop-up events
- Entrepreneurship and innovation festivals
- Arts and crafts fairs
- Holiday celebrations
- Film festivals

#### Customer Experience

The most successful businesses, regardless of industry, pay careful attention to creating success customer experiences. Though many fans require little support to be satisfied with your brand, beers, or brewery, attending to the customer experience is an excellent way to make new fans who may require more support and encouragement while improving the overall experience for everyone.

#### 6. Don't mistake friendliness for inclusivity.

This suggestion challenges the commonly held assumption that being a "good gal or guy"—e.g. being decent and kind—is equivalent to being diversity-minded. It is not. Oftentimes, the lack of overt bias or hate speech is taken as evidence that a product or space is equitable and inclusive. This is akin to concluding that a lack of off-flavors results in a flavorful beer. The two are at least on some level related, but are by no means equivalent.



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